EPTEMBER, 1957

Manage



NMA Officials Greet Australian

- CONDUCT OFF THE JOB
- RUSSIAN PRODUCTION GAINS
- OLIVETTI: NMA AWARD WINNER
- THE SUPERVISOR'S RESPONSIBILITY

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IN THIS ISSUE

on,

SEPTEMBER, 1957 Vol. 9, No. 12

THE COVER: W. A. Bayly of Adelaide, South Australia, manager of the Australian Institute of Management, is on a

tour of U. S. industry which began August 6th in New York City; Bayly, who has long shown an interest in the work of the NMA, will spend several weeks visiting plants across the country. He will also visit the NMA headquarters (Dayton) area for three days-from September 2nd until the 6th. Shown conferring with Bayly in New York City are (left to right): J. Patrick O'Malley, of TWA, an NMA zone vice-president; Ted Renshaw, NMA president; Bayly, and Harold F. Meyer, NMA national director from Socony Mobil Oil Co., Brooklyn, N.Y. A press conference for Bayly was conducted in New York City, and NMA officials took the Australian to a bigleague baseball game (Dodgers vs. Giants); it was all new to Bayly—he had never before visited the U. S., and he had never, therefore, seen a big-league ball game.—Photo by UNITED PRESS.

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Loyalty

ONE OF THE TRAGEDIES of an industrial system born of a free society of people is that the loyalty of employees to employers often is not taken very seriously.

Not even when it is needed to make the difference between success and failure of the employer.

The fault is that it is not practiced enough.

Although loyalty must be earned by a company, usually that is achieved by an effective communications system reflecting a policy of honesty that also is considerate of its people as human beings.

But no company ought to have to woo its people to obtain their loyalty.

Rather, the people should recognize that theirs is a basic responsibility to be loyal.

The company can at best only communicate well enough to let the people know that their loyalty is justified.

When a company adds a man or woman to its payroll, it can expect that the person will be loyal. That faith is demonstrated by accepting the person's application for services to be rendered for a specific remuneration.

And a person who reserves his loyalty until the company proves to him that it deserves it, might just as well steal the silverware from the table of his dinner host.

When a member of management joins a company, he is given specific leadership authority. His responsibility includes a great measure of loyalty because he is a leader, a molder of attitudes as well as a supervisor of production or service.

The most influential spokesmen for a company are not the executives, but the supervisors who, as a body of individual and respected citizens, meet and talk with more company people in a day than most executives could address in a year.

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When supervisors do not take their loyalty responsibilities seriously, they can do a lot of damage to a company through careless (actually disloyal) statements.

The public confidence in a company can easily be undermined by employees—particularly supervisory management—offering ridicule, frequently just to make interesting conversation.

But it is the rare person who is favorably impressed by hearing another gripe about his company, his supervisor, his job, or his top management's policies. He cannot help but think less of the speaker, who probably is boring him with a lot of dull conversation anyway.

It has been said—and quite truthfully—many times that public relations is the responsibility of every man and woman on a company's payroll—and it is up to them to enlist the voluntary aid of every customer who buys the company's product. That is a concerted employee effort which might well be hoped for by a company's management.

The start in that direction which every company has every right to expect is at least the passive loyalty of its people.

Supervisors, more than any other group within industry, can cultivate loyalty—and they can cultivate it best by practicing it.

The disloyal supervisor is many times more dangerous to the company than a disloyal employee.

Here is a bit of reasoning that seems to make sense: If a supervisor is so fair-minded that he orally objects to his company's practices or policies, then his same fair-mindedness ought to motivate him to withdraw his services and find other employment.

Best of all, however, is to practice loyalty, making constructive criticisms to people with authority to make the changes, if warranted.

Any employee of any company who is openly disloyal is undermining his own job, because he has a job only so long as the company stays in business.

Louis Ruthenburg sent us a Wall Street Journal cartoon the other day. The wife told her husband that he could stop being out on strike against his company because the company had just gone out of business.

Loyalty is human decency being demonstrated.

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Washington Report . . .

... for supervisors

by Stewart French

The "prolonged educational discussion" (which is courtly Southern for a filibuster) over civil rights has made its history—and heartaches and headaches. For the end is not yet, neither politically nor socially.

Congress of course does not fold up when a session comes to an end. This is particularly true of committees in an "off," or non-election year, when Senators have time to carry out investigations and inquiries that couldn't be reached in the grind of the everyday and sometimes every-night meetings of the Senate.

Two such inquiries now working full shift, so to speak, are of potentially profound importance to management. They are the "investigation of the financial condition of the United States" by the Senate Finance committee, and the inquiry into administered prices by the Antitrust and Monopoly Subcommittee of the Judiciary committee. The first could affect the fiscal policies of the Federal government, most particularly those of the U. S. Treasury and Federal Reserve Board with respect to money supply and interest rates. Such matters have a very direct bearing on capital investment for plant expansion and new industries.

Administered prices, as distinct from those set by the classic, traditional law of supply and demand, are believed by many distinguished economists

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to have a lot to do with ever-increasing prices and hence inflation. You can get an argument over that. There are those who say that prices in administered price industries (such as steel and oil, as contrasted with farm prices) are more stable, and hence less inflationary. But there are those who point to the danger of letting a small group of corporation managers, who have a personal, direct interest, decide on prices. These economists charge that such stability is in one direction only—up, always up.

A clear-cut example is gasoline and oil. Read any of the petroleum trade papers that concerns itself with production and you will see much viewing with alarm at over-supplies of crude oil since the Suez crisis. Yet gas and oil prices have not fallen in the face of supplies in excess of demand at current levels, as they would under the classic, traditional theory. As a matter of fact, many oil men will tell you frankly that prices are based not on supply and demand, but on cost of production—on the ever-increasing cost of finding oil, and of refining, transporting, and marketing it, including of course, the cost of the money to finance the operations.

Then, too, there is the problem of union wages. Such wages are said to be an example of "administered prices" in that they are set by factors other than labor supply and demand in some instances.

All this brings a human, and political, element into the economic picture, and the current investigations may suggest to some the need for political action.

CONGRESSIONAL ROUND-UP

The first session of the 85th Congress did much, yet left much undone, with respect to industrial relations. There were no amendments to the Taft-Hartley Act, as was so solemnly promised in both the Republican and Democratic Party platforms (the Democrats would have amended it by giving it the old heave-ho entirely, according to the

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plank adopted at the National Convention in Chicago).

Nor was there any extension of minimum wage and maximum hour coverage, although both the Administration and organized labor made a vigorous pitch for it. That is, the Administration, through its Secretary of Labor, at least gave lip service to such extension. Nor despite the headlines on abuses, was there any "full disclosure law" on welfare and pension funds . . . On the other hand, there was much on the plus side.

The Select Committee on Improper Labor Management Practices, otherwise known as the McClellan Committee, already has laid a very solid groundwork for a new deal in labor-management relations. The Committee is not by any means through with its investigations.

McNamara (Mich.), the union member Senator, is pushing to have the Committee, of which he is a member, go after management practices. He is being given some support at least by Sen. John Kennedy (Mass.), who, in the great American tradition, is said to have "political ambitions" and whose younger brother, Robert, occupies the strategic post of committee counsel and right-hand man of Chairman McClellan.

Also, the pros and cons of welfare and pension fund reporting were thoroughly explored, and the Senate Labor committee has a solid foundation of information upon which to base action next session. The snag that prevented action in the first session was disagreement over whether management—controlled funds should be subject to the disclosure law as well as union—controlled ones. Bankers and in—surance companies, as well as the Chamber of Commerce and other employer organizations, firmly opposed and blocked Administration—recommended bills. So, too, with extension of wage and hour law coverage. A great many facts and opinions are in the record, and the stage should be pretty well set for action, one way or another.

All in all, much has been accomplished but much remains to be done, to paraphrase Tennyson.

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PUSHING SUPERVISOR AROUND CAUSE FOR FIRING

Once again its official: An employee can't push a supervisor around and get away with it. After full formal hearings, an arbitrator has upheld the discharge of a steel worker in a Texas plant who, the arbitrator found, shoved a foreman and threatened to beat him "until I can't see you any more."

The Steelworkers local union protested the discharge, and asserted the facts were different, substantially, from the management's version. As to the disputed facts, the arbitrator said:

"The discrepancies in the testimony of the witnesses far exceed the normal variations to be expected in testimony of witnesses to the same event. The conflicts in testimony were so great as to suggest that some witnesses may not have taken seriously their oath to be truthful. And where testimony is so contradictory as in this case, it is true, as the union contends, that the arbitrator cannot be unmistakably certain who is telling the truth.

However the arbitrator refused to go along with the union's contention that because of the uncertainty as to just what happened he automatically must resolve all doubts in favor of the discharged employee. To do so, he pointed out, would place a premium on untruthfulness on the part of the discharged employees, and that he had a duty to evaluate the evidence to the best of his ability.

The management's evidence was that the employee had been wasting time the morning he was fired, drinking coffee and visiting around with fellow workers. Then when the regular snack wagon came into the plant and the worker prepared to eat his breakfast, the supervisor asked him when he was going to work, and suggested he eat breakfast at home. The employee became angry, and shoved and threatened the supervisor, who then and there fired him.

The supervisor was described as a "mild-mannered man, patient and long-suffering, who in 15

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years as a supervisor had never before fired an employee." However, he had talked to the employee on prior occasions about his work.

The union asserted there was nothing unusual in the employee's stopping for a sandwich and milk, and that a number of other employees also were patronizing the snack wagon. The worker didn't shove the supervisor except to brush the foreman's finger away from his face, the employee's witnesses testified.

The arbitrator found the union witnesses "too pat," and came to the conclusion that the foreman's version was more nearly accurate. He then turned to the question: "Is this just cause for discharge?" He answered himself as follows:

"This arbitrator thinks it is. Clearly, management cannot maintain even the minimum discipline necessary to effectively direct its working forces, and to maintain safe working conditions in its plant, if a supervisor must submit to abuse such as this when he insists upon an employee doing his assigned work. Even if it be granted that (the employee) in stopping for milk and a sandwich was only doing the normal thing, and that Kunkel should have waited until he finished eating before 'getting on' him for not working, (the employee's) violent reaction is not to be condoned in any degree. Kunkel's conduct, even if as unreasonable as the union pictures it. cannot be held to be sufficiently provocative to justify the violence and threats of violence by the employee."

WOMEN'S PLACE NOT THE HOME

The U. S. Census reports that one out of every three women over 35 worked in jobs outside the home last year, as contrasted with only one in five before World War II. During the past 10 years the number over 35 working rose by 50 per cent, from 8 and one half million in 1947 to 13 million in 1956. By contrast, younger women in the labor force increased by only five per cent, while the number of men in it rose by 10 per cent.

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Of this nearly 13 million, the Census Bureau report lists 1.4 per cent as employed as "craftsmen; foremen, and kindred workers."

Your economist will tell you that the movement of women away from the home and into the work force is the result of ever-rising cost of living. Your social scientist will point out that advertising and merchandising create wants and needs for ever new and ever better goods and services, and that women are going out to work to be able to buy them.

However, the same Census report says that most of the women listed as being a part of the work force were earning less than \$2,000 a year during 1956. Since 1946 the median (as contrasted with and distinct from "average") pay for women has increased only 27 per cent, compared with a doubling in the median earnings figure for men. One reason for the lower earnings among women is that only a minority of the total female labor force in all age groups works full time the year 'round.



"Our first speaker will be Mr. Jamison, who will give a short talk, followed by Mr. Blunbuss, who will give a long talk, followed by tomorrow."

CONDUCT OFF

THE JOB

by Frank Kleiler

■ Do employers really have any control over employees once they are outside plant grounds? Here are the answers to an old question,

Is ANYTHING which an employee does outside the plant on his own time any of his employer's business?

The Bureau of Labor and Management of the State University of Iowa has analyzed the decisions of arbitrators in connection with discharges for off-the-job intoxication, gambling, fighting, sex offenses and other behavior. It has found several general trends or principles which can help management in dealing with such age-old problems.

The arbitrators' view-points are especially valuable for employers who want to stay out of trouble because their right to discharge is subject to arbitration as the final step in a grievance procedure under a collective agreement. Employers who function without union contracts or without arbitration in the grievance procedure will also find them useful if they want a reputation for being reasonable in dealing with employees.

Is it reasonable to fire a man because he and his wife run up bills around town and fail to pay them on time? Unions usually say that the debts of an employee are not the concern of his employer; but unpaid bills by employees often cause embarrassment to a company, and there is also the nuisance of garnishment.

"Arbitrators have, in the main, upheld the right of the employer to insist upon personal financial responsibility of his employees," reports Walter L. Daykin, who conducted the Iowa study.

He summarizes the logic of such decisions as follows:

"The company must maintain its reputation for safety and reliability in order to be able to transact business. It is also reasoned that the employer can fire for indebtedness and garnishments if these factors cause or create an intolerable bookkeeping burden or subject the com-

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pany to numerous telephone calls, or if the quality of work of the employee affected declines because of financial worries, especially if there is no reason to show or to anticipate that there will be a change on the employee's part relative to his financial status."

Few employers nowadays discharge a man for off-the-job drinking so long as it does not interfere with his attendance and work. Some companies, however, try to protect their prestige and public relations by terminating employees who become intoxicated in public.

"Arbitrators have cautioned that great care must be taken in the application of plant rules regulating intoxication, or the rules must be applied so as not to regulate the private lives of employees," Mr. Daykin says. "In general, management must prove that there is a causal relationship between the intoxication occurring off of company property and an injury or risk to the company's business."

Fights outside the plant are proper grounds for discharge if they are connected with some incident or feud within the plant. When reviewing discharges for off-the-job fisticuffs, arbitrators usually examine such factors as the reason for the bout, effect upon employment relations in the plant, public relations, and the job status of the employees involved.

Several arbitrators have ruled that employers cannot discharge women for illegitimate pregnancy or men for charges of rape or contributing to the delinquency of a minor unless such behavior has an adverse effect on employment relations or public relations.

The traditional American regard for freedom of speech has presented some knotty problems for arbitrators when employees are fired for making derogatory statements about their boss or company. In general, reports Mr. Daykin, "what an employee thinks and says about his employer, his fellow employees and his work is not a concern of the employer or does not constitute insubordination unless such activity lowers his efficiency or interferes with the work of others. However, it is recognized that a company has a right to protect its reputation; therefore, not all statements made against the employer are privileged. Management can discipline employees who make damaging statements about plant officials, or employees who embarrass and harass the company officials at a public meeting."

There are many other kinds of conduct outside the plant which may result in discharge, and in ruling upon the fairness of the employer in each case arbitrators usually consider the intelligence of the company's rules, possible discrimination in the application of the rules, warnings to employees, and extenuating

circumstances. An employer usually finds himself in more trouble than the employees if he blows hot and cold in his interest in the personal lives of employees. A firm which ignores personal employee moral standards when workers are hard to find and tolerates flagrant misconduct cannot expect to win before an arbitrator when it suddenly decides to crack down upon employees for engaging in moral offenses on their own time.

"In handling these cases," explains Mr. Daykin, "arbitrators have attempted to establish various standards to determine what behavior patterns engaged in by employees outside of working hours and off company property are the types to either justify or not justify the employer's severing employment relations . . . Much importance is based upon the past treatment of the employer in previous cases of a similar

nature. The type of work the guilty employee does in the industry is often controlling. If the employee is a janitor or production worker, the emplover may not be justified in discharging him for illegal or immoral behavior performed during the worker's free time, but if the employee is a salesman or one that has frequent contacts with the public then discharge for such behavior may be justifiable. If certain behavior committed during non-working hours off the company property makes the employee unfit for work, or an undesirable employee, then he can be discharged. Unfitness and undesirability are determined by the effect of the employee's outside behavior upon his efficiency in the plant, the reaction of his fellow employees to him since the commission of the acts, and the effect upon the company's reputation and its public relations which affect sales of the product."

If you laugh at your troubles, there'll always be enough to laugh at.

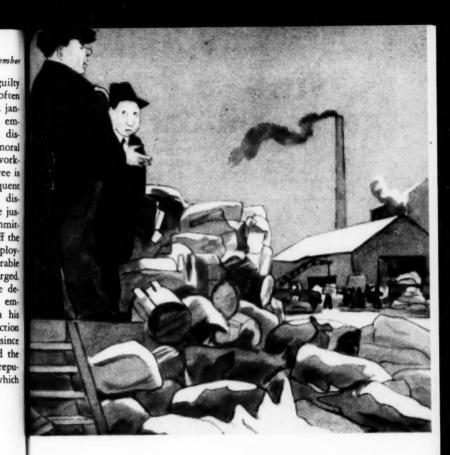
THINKING is the talking of the soul with itself.

THE WORLD & AMERICAN BUSINESS

"The world is indeed the new frontier for American business. The possibilities are limitless and the good derived from increased private investment abroad will be shared by all. In short, the enonomic future of the world depends, to no small degree, upon the current foreign investment and progress of American private enterprise."—William Lee Sims II, former president, Colgate Palmolive Company.

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"You have a 10-year supply of raw materials. Why are you bringing in still more?"

"Well, the other has already spoiled."

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This cartoon is from the Russian magazine of humor and satire, KROKODIL, a publication which often acts as a sort of steam-valve for the Communist conscience. See next page for more on Russian industry.

RUSSIAN PRODUCTION GAINS...

... real or imaginary?

by Charles Adams

RUSSIA IS VOICING an old Communist claim with new and ominous conviction: the era of American industrial leadership in the world is fast drawing to an end.

Already, Soviet leaders point out to their people and to whoever else will listen, Russian gross production has far surpassed that of England, France and Germany, becoming second only to that of the United States. If this achievement seems unimpressive for a nation of over 200 million people and tremendous natural resources, the Communists add these boasts:

"Russia is steadily reducing the margin of U.S. industrial superiority. If World War II had not crippled the Soviet economy, Russia would today be out-producing America."

In a recent Moscow speech E. A. Furtseva, secretary of the Communist party's Central committee, declared that Soviet industry's total 1956 production was 30 times that of pre-revolutionary 1913. During the same period, production of "the means of production" (heavy industry items)

increased more than 67 times, and output of the Russian machine-building industry soared 180-fold.

Comrade Furtseva, Russia's highest-ranking woman Communist, proclaimed that some prominent Americans now see the handwriting on the wall. She quoted former Secretary of State Dean Acheson predicting that Soviet production would surpass that of the United States within 20 years.

Communist strongman Nikita Khrushchev confidently asserts that Russia "will outstrip the United States in production and excel the American standard of living in the not distant future. The time is not far off," he added, "when the Soviet system will better American per capita production of goods."

These are bold words from the leaders of a nation which currently is undertaking a fundamental overhaul and shifting of the gigantic, admittedly inefficient industrial bureaucracy centered in Moscow. Such bragging is all the more amazing because Russia still trails the United

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States in every major area of production—coal, steel, iron, petroleum, electric power, machine building, and the rest.

Last year, for example, the USSR produced only 98,000 passenger cars—a tiny fraction of the American total of 5.8 million. It made but 224,000 refrigerators, 195,000 washing machines and 179,000 vacuum cleaners—pale shadows of American output in these lines, but new records for Russia.

A recent American study debunking Russian industrial power estimated that the USSR is 29 years behind the United States in production of steel ingots, 16 years behind in electrical power output, 54 years in paper, 52 years in natural gas, 32 years in cement, 48 years in canned food, 44 years in boots and shoes, and 48 years in cotton fabrics.

In the light of such figures, why is the USSR so sure it can take our measure in the race for industrial supremacy? Because, say the Russians, Communist worker productivity is rising much faster than American worker productivity; and the rate of growth of the Soviet economy as a whole is faster than U.S. industrial growth.

The USSR proudly admits it gives top priority to expansion of heavy industry while curtailing output of consumer goods such as cars, refrigerators, vacuum cleaners and washing machines. It is convinced that only by emphasizing "production of the means of production" can the struggle for world industrial supremacy be won.

Well-qualified free world editors and technicians have returned from trips to Russia deeply impressed by important sectors of its heavy industry. The Russian press picks up these foreign reports and presents them to the Soviet people as further proof of the "correctness" of Kremlin policy and as justification for continued toil and sacrifice.

The Russian trade union newspaper *Trud* recently published this dispatch from the Soviet news agency, Tass, in London:

"The (British) technical magazine Metalworking Production has printed a series of articles telling about the successes of the Soviet machine-building industry in the fields of mechanization and automation of production and of raising labor productivity. The authors of these articles are two of the magazine's editors, who made a trip to the Soviet Union.

"The British specialists emphasize that the Soviet Union 'has achieved a phenomenal growth in industrial production.' They say that the 'rates of development, when you consider that present successes were attained in a comparatively short period of time, are simply astonishing.'

"Describing the mass production lines they saw in three (Russian) machine-building factories in Moscow, Ryazan and Odessa, the authors said that 'these three lines alone turn out more lathes and radial drills than we (the British) build in our whole country.' They state that a Russian automated bearing manufacturing plant which they inspected 'is the most advanced plant of its type in the world.'

"The (British) newspaper Manchester Guardian, in commenting on these articles declared: 'From these reports it follows that in many respects the Russian machine-building industry is far ahead of the same branches of industry in England and the United States.'"

In similar vein, E. W. Voice, head of the iron-making division of the British Iron & Steel Research Association, told a recent meeting of the American Institute of Mining, Metallurgical and Petroleum Engineers in Pittsburgh that Russia is increasing iron production by using advanced furnace techniques that hardly are beyond the testing stage in U.S. steel mills. He added: "Russian developments give us cause for fear. Heaven help us if we don't keep pace with them."

Russia contends that the Communist planned economy can move faster than American free enterprise in utilizing automation and atomic energy. It explains that the directors of a planned economy need not cater to the consumers' varying tastes or whims. Consequently, an item can be standardized for mass production without change over a long period

to take maximum advantage of automation economies.

According to the Russians, individual firms in capitalist countries lack the resources to exploit atomic energy to the fullest extent. Only where the government controls all industry—as in the USSR—can this new force be completely harnessed to a nation's economy, the Communists assert.

Even with industrial atomic power and automation in comparative infancy, the Russians claim to be making fast progress in overtaking American production.

Soviet officials report that in 1956 the USSR's industrial output increased by nearly 11 per cent, compared with 3.5 per cent in Western Europe and "not more than two per cent in the United States."

Last year's growth in productivity for American benchworkers in manufacturing has been estimated by U.S. economists at one to 2.5 per cent—far below the annual gains shown earlier in the postwar period. The USSR says its manufacturing workers upped their productivity seven per cent in 1956.

For the period 1951-1955 (covering the USSR's Fifth Five-Year Plan), Russia reported a 40 per cent gain in industrial labor productivity, compared with 16 per cent for the United States, 14.6 per cent for England, 23.4 per cent for France, and 27.7 per cent for West Germany.

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Engand nv. The USSR figures that its industrial labor productivity is now well over seven times as high as in 1928 and more than twice as high as in 1940.

This year Soviet officials believe that a further substantial jump in worker productivity will boost the USSR's total industrial output another 7.1 per cent. During the entire Sixth Five-Year Plan (1956-1960), the productivity of Russian industrial labor is scheduled to rise 50 per cent, with overall industrial output climbing 65 per cent and "production of the means of production" soaring 70 per cent.

In view of such achievements, past and prospective, the magazine Sovyetsky Soyuz inquires, "who can doubt that the gap between American output and our own will continue to narrow with each passing day?"

The Russian journal Planovoe Khoziaistvo (Planned Economy), official organ of the USSR State Planning Committee, says flatly: "The entire history of the development of capitalist and socialist (Communist) economic systems demonstrates irrefutably that socialist production is developing at rates which are unattainable for capitalist countries. . . . It is known that during the period from 1929 through 1955, industrial production in the USSR rose more than 20-fold, while the industry of capitalist nations as a group rose by only 93 per cent and

that of the United States in particular rose by 2.3 times.

"This great difference in the growth rates of industrial production has enabled the Soviet Union to achieve second place in the world in total volume of industrial output. It also has provided the USSR with the opportunity to carry out, in the near future, its main economic objective—to overtake and surpass the United States in per capita volume of production.

"A comparison of labor productivity in the USSR and in capitalist countries shows a significant (Soviet) superiority in rate of growth of output per man-year and per man-hour."

Planovoe Khoziaistvo says that through the Russian system of "socialist competition" (the speed-up disguised in patriotic trappings), the "principle of personal material interest" (bonuses and other inducements), and the mastery of new technology, including utilization of foreign inventions and methods, Soviet economic expansion will continue to be faster than capitalist advances.

"From the standpoint of industrial labor productivity we have already overtaken the best-developed capitalist nations of Western Europe. However, we still lag behind the United States in this regard.

"In the present span of history, one task stands before Soviet industry—to catch up to and excel U.S. industry in labor productivity."

Ladíes' Day Every Day

by dick ashbaugh



WHEN MY NEWSPAPER recently informed me that Congress was considering a bill giving complete equality of rights to women, I accepted the news with a slight feeling of puzzlement. The last time I took a look at the social scene it seemed to me the ladies had all the rights they needed for a full life. Here and there were a few males acting superior, but they all wore haunted looks and kept looking around as if it might be necessary to duck at any moment.

The more I thought about complete equality, however, the more it appealed to me. There are a number of small, daily obligations that have been exclusively male, and perhaps it's time the ladies were allowed equal status. To clarify the situation I jotted down the following scenario, and intend mailing it to my congressman as soon as I find a lady mailman.

Scene one takes place in front of an apartment building where a man and woman have just emerged in evening clothes. The lady extends a handful of objects toward her escort.

"Put these in your pocket—be a lamb."

The man gives a short hard laugh. "It's your hardware, Alice, you're supposed to pack it yourself under the new bill granting complete equality."

"But, Harry," she says with a moan, "it's only my compact, lipstick, lighter, cigarette case, pillbox, comb, gold "Yo canast: papers titled

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taxi whistle and a change of pearls."

"You should stay away from that canasta deck, kiddo, and read the papers. Washington says you're entitled to carry your own equipment."

The lady looks around her person desperately. "But where?"

"Ask your congressman," says the man airily. "And by the way, it's your turn to find a cab. Get busy."

The next scene shows a man and woman seated in the living room of their home. The man is more or less hunched under a shawl. He coughs discreetly. The woman flips down a corner of the paper and glares at him. "Quiet, Stanley, can't you see I'm trying to read the sports page."

The man reaches for a cigarette and knocks the box over with a clatter. The newspaper rattles briskly. "Good heavens, Stanley, what's the matter with you tonight? You're as nervous as a cat."

The man is silent for a moment. Then he pushes aside the shawl and juts out his chin defiantly. "I want to be cuddled."

The next scene takes place in a railway terminal. A man and woman stand before a pile of luggage as the woman tries vainly to summon a porter. "Too bad," says the man. "They all seem to be busy. Well, this brief case is mine, the three bags and the overnight case are yours. Better wrestle them along or we'll miss the train."

Our final scene takes place in the

Primrose Tea Shoppe. A young matron, her arms loaded with packages, enters and sinks wearily onto the banquette. As she is kicking off her shoes, a friend crosses the room and sits down beside her.

"Well, Marie! Long time no see."
"Oh hello, Agnes. Didn't know you hung out here."

"I drop in now and then. Pretty good spot even if they do have tables for men. What are you having?"

"I'd like a double orange pekoe with just a twist of lemon peel. How was the party last night?"

"Quite an affair. Sorry you couldn't make it."

"Well I've had lodge and PTA so far this week. And then there's a sorority smoker Friday night. Tom's getting edgy about my nights out."

"I'm in the doghouse myself. Last night at the party Helen Jenks and I put on men's hats and did the Black Bottom. Then some of the girls started a gin game in the basement. The men were all furious. Leroy didn't speak to me all the way home. And then locked himself in the guest room."

"How do you square yourself in a case like that?"

"Oh, I'll pick up a box of cigars on the way home, or tell him how nice he looks in his new hat. It usually works."

"Sounds like a good idea. I'll try it on Tom. Shall we have another?"

"I don't know. This is my third

and Leroy's having veal birds tonight. He likes to serve everything hot."

"Not much like old times, is it Aggie? Remember when we used to have three or four, and then go someplace for a toasted olive and nut on whole wheat?"

"Those were the days. Sometimes I think this complete equality is a mistake. I suppose we could have a quickie and then grab a cab."

"Okay, can't fly on one wing Here's to Susan B. Anthony and our congressman."

"Right."

THE UPS & DOWNS HAVE IT

A man's job can get him into a barrel of trouble if he's not careful, reports the Manchester Guardian in relaying the following letter from a bricklayer in Barbados to the firm for which he worked:

"Respected Sir:

When I got to the building, I found that the hurricane had knocked some bricks off the top. So I rigged up a beam with a pulley at the top of the building and hoisted up a couple of barrels full of bricks.

When I had fixed the building, there was a lot of bricks left over. I hoisted the barrel back up again and secured the line at the bottom, and then went up and filled the barrel with extra bricks.

Then I went to the bottom and cast off the line. Unfortunately, the barrel of bricks was heavier than I was, and before I knew what was happening, the barrel started down, jerking me off the ground. I decided to hang on and half way up I met the barrel coming down and received a severe blow on the shoulder.

I then continued to the top, banging my head against the beam and getting my fingers jammed in the pulley. When the barrel hit the ground it burst its bottom, allowing all the bricks to spill out. I was now heavier than the barrel so started down again at high speed.

Halfway down, I met the barrel coming up and received severe injuries to my shins. When I hit the ground I landed on the bricks, getting several painful cuts from the sharp edges.

At this point I must have lost my presence of mind, because I let go the line. The barrel then came down, giving me another heavy blow on the head and putting me in the hospital. I respectfully request sick leave."

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INTERNATIONAL
MANAGEMENT MAN
OF THE YEAR

ADRIANO OLIVETTI

Signor Olivetti will address the NMA National Conference in Pittsburgh in October.

by Maurice Moyal

Taly is the tinder-box of Western Europe. Here, 5,000,000 are totally or partially unemployed, by reason of over-population and scant natural resources. Even in comparatively industrialized and better-off North Italy, the pay check of only one bread-winner cannot possibly support a family. As a result, mere boys have to put in a full man's work-day in factories.

The pressure of a mounting population against dwindling resources is far greater in South Italy, which has no industry to speak of. Poor agricultural conditions give it the lowest standard of living in our Western world. Millions live here literally from hand to mouth, hovering always on the brink of starvation. An upper class growing daily richer and richer, a bitter proletariat growing poorer and poorer—against such a back-

ground, it is easy to grasp why the country should be plagued by the largest Communist party this side of the Iron Curtain.

Two million card-holders and considerably more millions of sympathizers, representing some 35 per cent of the Italian electorate, see in violent revolution the one means of righting such iniquitous social conditions, and bettering their present intolerable lot.

FAITH

And yet one man, Adriano Olivetti, has decisively wrested from Communist control the 4,000-plus factory hands on his pay roll at Ivrea, in North Italy. At the recent ballot for shop stewards, his own "Community" list came up with five stewards, the Christian Democrats with two, as against the Communists' six. In Olivetti's plant at Puzzuoli, in South Italy, 1,000 factory hands have de-

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cided by unanimous vote to replace the portrait of Lenin with Christ.

Why are the plants of that leading maker of business machines in Europe such islands of peace and harmonious labor-management relationships in the midst of such a stormy Red sea? Because Adriano Olivetti has taken God for partner in all his undertakings.

Olivetti has faith in people, faith in the ultimate sanity of his country. Whereas many of his fellow-businessmen have been, as a hedge against eventual Communist revolution, investing in other lands the big money made in Italy, he has launched an ambitious program of industrial deconcentration, which has brought shining hope in the lives of hundreds of thousands of jobless in South Italy.

When it came to expanding operations, instead of merely enlarging the capacity of the plant already existing at Ivrea, he daringly decided to build a new plant at Puzzuoli, in the Reddest district in the whole peninsula.

SOFT-HEADED

The consensus was that Olivetti, after losing a few billion lire in his harebrained project, would be only too glad to return, licking his wounds to North Italy. It was a well-known fact, argued his fellow-industrialists, that all Southerners were lazy, shiftless, fit only to be carriers of water and hewers of wood. Olivetti would have no local pool of trained labor to tap for turning out his high-

precision business machines. His capital outlays would be far greater, his production and transportation costs much higher.

"Fancy letting religious beliefs influence business decisions! Religion belongs in the church, not in a workshop," scoffed these practical, hardheaded people. And they added bluntly, "Olivetti is a soft-headed sentimentalist!"

"Cast thy bread upon the waters; for thou shalt find it after many days," answered Olivetti, quoting from the Ecclesiastes.

Olivetti, it turned out, was right. The prophets of doom had concerned themselves only with cost accounting, leaving out of the picture the far more vital factor of *human* accounting.

Far from being forced to the wall, within two years, Olivetti doubled the capacity of his new plant at Puzzuoli. Within the first six months the "carriers of water and hewers of wood" he had hired on the spot were producing a larger output per manshift than their highly trained and very efficient fellow-workers in the mother plant at Ivrea.

The unprecedented installation of a new industry in a depressed and warravaged region has pulled the local folks out of the abyss of utter despair. It has given them a new faith in their own capacities, and the knowledge that they are no longer alone in their long-standing struggle against pover1957 ty has Christ

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ty has given them a new faith in Christian brotherhood.

Realizing the importance of their employer's bold experiment in industrial deconcentration, they have been putting all their heart and pride into the job, suggesting shortcuts, minor inventions and labor-saving devices. Their goodwill and efficiency have encouraged Fiat and Pirelli, the leading Italian makers of cars and tires, to branch out in turn in the south, creating more thousands of new jobs.

No sooner do you arrive at nearby Naples than you realize that Olivetti has won the devotion not only of the 1,000 workers in his hire, but also of 1,000,000 Neapolitans.

"IL PADRONE"—THE BOSS

You realize why when you visit the spacious residential section that "Il Padrone"—The Boss—has built around the plant for his employees. Abruptly, the tumbledown shacks, shoddy tenement-houses and car graveyards on the outskirts of Puzzuoli are brought up short against a forest of saplings.

In contrast to the dirty and dilapidated suburb, beyond the saplings stretch neat rows of gleaming white houses and bungalows with red-tiled roofs and green shutters, in the shade of luxuriant purple-flowered bougainvilleas.

Class lines are so blurred here that you cannot guess the social status of the occupants. This bungalow may accommodate a department head or an hourly-paid assembly-line worker. Both have the same tiled bathroom, the same television set, tend the same roses in the neat garden in front, eat the same food in the same cafeteria on the job, send their children to the same school.

You walk past two churches, a superb shopping center, public library and private hospital, all set around what looks like a huddle of country clubs in a beautiful landscape of running waters, green lawns, flower-beds and the inevitable saplings.

THE LAYOUT

Such "country clubs" are workshops, which are the last word in industrial design and aesthetics. Great French windows allow for a free play of air and sunlight, and each workshop has been especially designed to insure the best working conditions, reducing unnecessary fatigue.

"Symbolic of the Christian spirit behind all our efforts is the crossshaped layout of our workshops," says Adriano Olivetti, a grey-haired man in his late fifties, "although this layout has its practical aspects, too, abating noises and making for better connections between our various departments."

Olivetti looks upon himself not as the owner, but as the trustee of his big industrial venture in the interest of all those engaged in it. He radiates such candor, warmth and friendliness that you soon forget he is a leading captain of industry, with perhaps 10,000 workers in 20 countries on his payroll.

According to Olivetti, a tragic lack of inspired leadership accounts mainly for the yawning abyss of hatred, resentment and bitterness which all too often separates labor from management. Even well-meaning employers may antagonize workers by their paternalism, impersonal philanthropy or maudlin sentimentalism, because an attitude of superiority tends to hurt the self-respect of the workers.

Another cause of bitterness is that mechanical, monotonous assemblyline work offers little or no scope to the individual worker's urge for self-expression and creativeness, those basic outlets of the human soul.

"'Love thy neighbor as thyself points the way to the one bridge by which the abyss can be spanned," stresses Olivetti. "Christianity in action integrates employees and employer into the same spiritual world and so creates a favorable atmosphere for the development of mutual understanding and respect. Workmen believe in an employer who believes, himself, in the Lord and in the fundamental dignity and basic worth of the individual!"

An enthusiastic executive, who had risen through the ranks, was detailed to show me how this Christian philosophy of management works out in practice.

"The mainsprings of our organization are team spirit, individual help and training," he told me. "In our technical courses, trainees are not only given a sound grounding in their chosen specialities, but also a broad human and social education to enlarge their outlook."

"THE TEAM"

Top-level executives give frequent lectures dealing with the policies, purposes, procedures, processes and progresses of the venture. At question time, workers are encouraged to talk things over, air their grievances, discover better ways of doing their jobs. This free and easy intercourse lowers social barriers and trains employees to think for themselves.

On the job, likewise, everything is designed with a view to giving the worker a sense of belonging to a team. Seeing the over-all goals of the team and his own place on it, spurs his skills and creativeness. The result? Hundreds of ideas about how to save precious raw material without lowering the quality of the finished product; how to speed up operations; how to perfect the tools of the job. Every suggestion is promptly and carefully put to test. If practical, the originator will be rewarded; if not, time will be taken to explain to him why his idea won't work.

At the end of each financial period, a report, copiously illustrated with humorous sketches and striking diagrams and charts, sums up the progress of the venture. It shows the factory hand how the benefits of his inon—salary consu

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creased productivity have been passed on—to him in the form of a boost in salary and profit sharing; and to the consumer in the shape of a better and cheaper product.

As if he were a member of the Board, all figures are put before him, broken down in terms of the return for the yearly output of an average worker so that he may understand them better. At a glance, he sizes up how much and what percentage has gone into the purchase of raw material, of equipment; how much into the expansion of operations; into taxes. He realizes that the dividends for the big capital invested in the venture boil down to a reasonable

two and a half per cent, as against the 25 per cent he gets in salary. Mixed management-labor boards run the retirement and housing funds, as well as the technical courses for trainees.

"You must give the worker a stake to defend in our society, fill his belly, put a decent roof over his head, insure a carefree retirement in his old age after a lifetime of work," says Olivetti. "The tide of materialistic Communism will be turned back only when real Christian employers put ahead of personal profit the interests of the work people in their hire, of the public at large and of their country, for 'we are members one of another'."

Reprinted from THE BRITISH WEEKLY.



"That's the guy who won our free-car-for-life contest . . . take care of him!"



WHAT FUTURE MANAGERS WILL DO

PREDICTION:

The prestige of
the foreman's job
will grow in the future.

IN April, nineteen hundred and sixty-five, one of your company's executives will be lecturing at the state university. A member of a federal agency will be sitting in for him while he's away. A bright non-conformist whom nobody likes may be assistant to the president of your firm. A woman could be comptroller.

That's a glimpse at the future of management development as academic and business experts see it. Here are some more of their predictions:

¶ Your company will have a specific budget for developing executives. You may spend time daily coaching subordinates and being coached.

¶ Your firm will have a more accurate system for measuring everyone's performance and potential. Authority and responsibility will be greater down the line.

¶ For any important post there will be several possible successors, some from different departments. No one by the just I ju

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§ The foreman's job will be sought by the college graduates you have just hired.

¶You will pay young, inexperienced managers fat salaries, but the pay level won't rise as sharply later on. Top executives will get big incentive bonuses on a deferred basis.

¶Your employe relations will be tough-minded.

"The asset which towers above all others in business," J. C. Penney often declared, "is not money, not buildings, not land, but men." And the essential duty of a manager, he said, "is to build another man to take his place."

Most companies today are aware of this. A majority of firms with more than 10,000 employes have adopted some sort of formal executive development program in the past five years. In the years ahead, management training experts say, changing techniques, pressure on the supply of executives, closer relations of business, government and education and other causes will bring considerable changes in the management function and the training needed to carry it out.

One of the broad aspects of developing executives, according to Earl Brooks, professor of Administration at Cornell's Graduate School of Business and Public Administration, is building the man not only in his

company, but in his profession and his community. The executive will have to continue to educate himself throughout his career. He will have to keep informed on local, national and international issues. His obligation to his community, government, professional and trade groups and the school system will grow.

More businessmen will spend more time on college campuses, both educating and being educated. By 1965, a half million college students will be enrolled in business courses, compared with a little more than 300,000 today. Schools will be short about 1,800 business teachers, and many businessmen will be teaching part-time. More businessmen will be spending more time in class, taking new courses every few years, as more executive training programs are set up in both colleges and companies. And more teachers and students will work part time in plants and offices.

There will be more systematic borrowing back and forth between business and government, too, in the view of Dr. Eli Ginzberg, professor of economics, Graduate School of Business, Columbia University, and study director of the National Manpower Council there.

"This two-way street will become much wider," he says. "Big government and growing regulation of business will make contacts and knowledge in each field valuable to the other."

By 1965, Professor Brooks pre-

dicts, a current trend in selecting and promoting executives will be reversed.

"Today," he notes, "too much is made of the firm handshake, the broad smile and conformity.

"In promoting, we tend to put too much accent on selecting those whom no one has anything against," cautions Ewing W. Reilley, director of McKinsey & Company, management consultant firm, and president of McKinsey Foundation for Management Research. "Why, some companies wouldn't have made Charlie Wilson an executive because he lacked good public relations," he declared. "Often the head of things is the man with terrific strengths but who also has certain limitations."

Great discoveries, says Professor Brooks, are usually made in the mind of one individual who has a lonely insight into problems. So we have to encourage the dissenters as well as the team workers. In the future, the individualists, the intelligent searchers, the tradition-breakers, who don't get along with others will be rewarded for their contributions. Results, not personalities, will count. More women will be top executives, too, Dr. Ginzberg believes.

Ralph N. Campbell, professor of Industrial and Labor Relations at Cornell, agrees that "companies are growing toward more conformity, and it shouldn't be." But he adds that he'd be surprised if individuality is stressed by 1965. "It's too easy to put people in molds."

Professor Brooks puts great store in coaching as an executive training technique. The responsibility of every executive, he says, is to help his subordinates develop by example, coaching, standards of performance, and advice. "We can learn a lot from athletic coaching." Whether in athletics or business, the coach or executive plans moves around the men he has, balances strengths and weaknesses, prepares them to meet unexpected situations, provides for continuity, teaches to conserve energies, instills enthusiasm, scouts the opposition, patterns corrective action to the individual.

In coming years, companies will have budgets for developing executives, according to Professor Brooks. Not only will there be cost and quota records but development records. There will be audits on men as on money. When a president inspects a plant, besides asking the factory manager about production, he'll ask what he's doing to develop his men.

Problem-solving sessions in groups and between individuals of all levels on the job will increase. "Real development of skills and knowledge comes through accountable work assignments," Professor Brooks says.

"You have to tie coaching and training into real problems," Mr. Reilley insists. "Knowledge must be work-oriented." The strength of a says, back import there and get

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group should be utilized, Mr. Reilley says, because in a group there is playback on what is being done and how improvement is being made. "I hope there will be more getting together and discussing problems, as doctors get together to discuss operations."

There is disagreement on how companies will spend their management development funds.

Professor Brooks predicts fewer company institutes and more university-based development programs in the next decade, such as, for example, Cornell's three-week course in business leadership conducted specifically for the American Airlines management personnel.

Mr. Reilley foresees more companies running their own management education. More firms will set up institutions such as General Electric's Management Research and Development Institute at Crotonville, N. Y.

"If we learn to do things internally, we can be more effective in translating learning and applying the knowledge to company problems," Mr. Reilley believes.

In the final analysis, a company can only provide the policy, opportunity and atmosphere for management development. Managers will have to develop themselves. As Mr. Reilley puts it: "Discovery for one's-self is the secret."

To build broader managers, says Professor Brooks, progressive companies will encourage sabbatical leaves for executives, like those given teachers for professional development, travel and research. Companies also may send their purchasing agent to the firms where he buys to see what these firms think of the purchase procedures. Salesmen will make special calls on customers just to get reaction to the product.

Job rotation will be more frequent. One auto parts manufacturer already has a special post in the personnel department where line officers are put for six months to see how a staff department works. There will be more rotating between line and staff jobs in the future, Professor Brooks predicts, as the walls between departments are lowered.

Men will be transferred for a purpose, not just because they didn't measure up in a particular spot. In one company, department heads drew up a treaty pledging that they wouldn't shift their misfits to other departments.

The future will also bring more exact tools for forecasting manpower needs and measuring performance and potential.

Keeping current inventories of possible successors may become more difficult if the nature of jobs continues to change rapidly and the pace of reassignment and turnover quickens. The trend can be seen today. In a large retail organization recently, a man who was a good promoter was made manager of a new department until it got moving.

Then he was soon reassigned and replaced by another manager with different talents who established standards and procedures to keep it operating successfully.

Professor Brooks predicts there will be more shifting of people both vertically and horizontally under systematic plans, "not just to change pasture."

Even today, as one oil company official remarked: "If you haven't been moved in three years, something's wrong."

More thorough searching for replacements within an organization rather than outside is another future likehood.

Management talent is often buried in large, specialized work groups, and much of it is wasted unless there are scientific means of discovery, according to F. L. Larkin, vice president in charge of personnel services, Wisconsin Electric Power Company. The traditional yardstick—technical competence, college degrees, seniority, diligence and loyalty—won't find the talent, he adds.

Wisconsin Electric Power developed a plan for evaluating and selecting future management people, which Mr. Larkin says has proved successful. To find the talent, the plan uses ratings by work associates, interviews conducted by trained psychologists and a battery of six tests in intelligence, judgment, vocational preferences, supervisory aptitudes, sense of values and personality. In

formation from all these sources is combined and evaluated by a staff of psychologists.

Mr. Larkin reports a high degree of correlation between the psychologists' prediction of management of the man selected for a management position.

A management inventory and development program recently developed by Kaiser Aluminum & Chemical Corporation uses personal histories which include education and experience, written descriptions of responsibilities and functions of each management position, performance appraisals and evaluation of potential and individual development plans to help men improve in their current jobs and qualify for future positions.

Eventually, most companies may have specifications for men as there are specifications for machines, and methods for early identification of management potential will be widespread, Professor Brooks says.

In the next decade there will be several understudies for a management position, some from different departments of the organization. There will be more competition for



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each vacancy. Seniority will no longer be followed slavishly. There will be more trials for trainees earlier in their careers. Nowadays, as one junior executive complained, "You can be with a company 10 years before they give you a chance to stub your toe."

In the future, employees will have a chance to prove themselves earlier, and will be given more challenging work. Companies will face up earlier to employee successes and failures,

says Professor Brooks.

By 1965, the foreman's job will be coveted by ambitious young men. College men don't want to be foremen now. It's a dead end in many companies.

But its prestige will grow in the future, Professor Brooks believes. It's a place where men can learn a line job and make decisions early. Superiors can quickly observe the foreman's ability to work with the men under him.

Dr. F. F. Foltman of Cornell's School of Industrial and Labor Relations forsees a new bend in the salary curve for management. Instead of young men starting at a comparatively low salary and gradually earning higher pay, they may earn big money almost right away, when they need it to build homes and raise families, but the level of pay wouldn't rise as sharply in later years.

Profesor Brooks sees more incentive pay in the future. There will be more bonuses for executives based on formulas to measure their effectiveness and results. These bonuses will be paid on a deferred basis for two reasons: Tax rates take too big a bite if the bonus is given in any one year, and bonuses paid over several years will tend to keep the man with the company.

In the years ahead, companies will take a "tougher-minded approach" to employee relations, Mr. Reilley predicts. They will insist that their people—particularly managers and other key personnel—perform or

take the consequences.

"They will abandon the saccharine approach to human relations," he added. "Employees respect you more if you insist on results."

Firms will be organized so that managers have the responsibility for a whole job and have the tools and staff to do it. Objectives will be set and performance will be measured. Each one will be held accountable for his work.

By 1965 we'll be working smarter, not harder, according to Professor Brooks. The ratio of scientists and engineers to production workers will increase. Industry will have to have a higher percentage of people with know-how to increase productivity. Machines can only go so far; the minds of men will make the real progress.

Dr. Ginzberg sees the mutual use of scientists by several companies as a possible solution to the shortage of

technical brains. A leading physicist, for instance, might be in the employ of a dozen companies on a part-time basis in the future.

He also believes that, by 1965, the standard retirement age will be 68 rather than 65. Others feel that retirement will be earlier—at 60 or younger.

As management moves toward improved organization, more accurate systems of measuring work results and more compensation based on performance, there will be greater opportunity for men to volunteer for the tough assignments so companies can find out who really wants to

move ahead, Dr. Ginzberg predicts.

All in all, Professor Brooks notes, business is realizing that the appraisal and forecasting of management manpower resources and needs, selection, paying, promoting and broadening of managers, "are not activities over and above the running of plants, serving customers and making profits—these are how objectives are most effectively accomplished."

REPRINTS of "What Future Managers Will Do" may be obtained for 15 cents a copy or \$11.25 per 100 postpaid, from Nation's Business, 1615 H Street, N.W., Washington 6, D. C. Please enclose remittance.

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RESTRAINT OF TRADE

by Louis Ruthenburg

In the modern political sense of the word, Supreme Court Justice Oliver Wendell Holmes was an outstanding liberal. He said, however, "I have no doubt that when the power of either capital or labor is extended in such a way as to attack the life of the community, those who seek their private interests at such cost are public enemies and should be dealt with as such."

For hundreds of years control of monopoly and restraint of trade have been matters of concern in European and American legislatures and courts.

The Sherman Act of 1890 declared it to be an offense "to monopolize... or combine or conspire... to monopolize any part of the trade or commerce among the several states . . ."

Provisions of the Sherman Act were clarified and supplemented by the Clayton Act of 1914. It held that labor unions were not subject to the anti-monopoly provisions of the law.

Then the Norris-La Guardia Act of 1932 limited the injunctive powers of the courts with respect to labor unions.

The Wagner Act of 1935 became the Magna Charta of unionism. It defined and prohibited "unfair labor practices" on the part of employers. It was completely silent as to unfair practices on the part of labor unions and their officers. Collective bargaining became shotgun bargaining.

The Taft-Hartley law, which is now in force, does not re-establish equality under the law. It is an attempt to correct some of the more serious abuses caused by the Wagner Act.

The people of the United States, at long last, are beginning to realize that labor unions are in a position, not merely to restrain trade, but to impose hardships unlimited. By enforcing unreasonable wage demands, the unions accelerate inflation and reduce the purchasing power of our dollars. They can and have halted production of essentials. They can paralyze transportation and communication.

Union leaders impose upon the nation a government, not of law, but of men—a travesty of our cherished tradition.

The laws of the United States and many court decisions have grossly violated the basic precept of equality under the law.

POPULATION: ONWARD & UPWARD

- Housing boom seen
- More income ahead
- Trouble for schools

THE MIGHTY UPSURGE in United States population goes on unchecked, reaching an all time high in 1956 of 4,200,000 babies. The effect of this big population spurt is analyzed by the *Kiplinger Washington Letter* in its annual report on population. Population will increase from the present 170,000,000 to 221,000,000 in 1975, and this growth will have a startling effect on the national economy.

Here are some highlights of the report:

People will overflow the landscape around the cities, farther than now. They will migrate to new places and fill up areas now sparsely settled. They will lead new lives of their own with new patterns and new standards. The babies of now, in their lifetime, will make and demand many changes.

HOUSING BOOM SEEN

The birth wave that started in 1940 will result in a new high wave of marriages from 1960 on. And thereafter a new birth wave. And, as a result, a new building boom in the 60's.

The post war boom in housing is off from its peak mainly because there were fewer births in the 30's and consequently fewer young people of the marriage ages in these days. The slack-off is likely to continue two or three years, apart from the factor of tight money, just because of the slack-off in marriages and new families.

But looking ahead to 1960 and thereafter marriages and births will produce a housing boom from the early 60's on through the 70's and the 80's. Twice as many houses will be built in the 70's as are being built now. And there will be an accompanying boom for things that go into houses.

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AUTO MARKET MAY REACH 10 MILLION

Last year, total auto sales were 6,000,000. By 1965, the total will probably be 8,500,000 with some peak years of 10,000,000. This is foreseeable on the basis of the growth of population, plus better roads and higher incomes.

Teen age drivers with their own cars are becoming a factor in the trend toward two-and three-car families.

In autos, as in houses, there will be upgrading. Better autos, bigger houses, better other things due to higher incomes.

BIGGER INCOMES FOR MORE FAMILIES

The rise in families with better incomes in just the past five years is amazing. Almost twice as many families make \$5,000 to \$10,000 a year as did in 1950. And as for over \$10,000, more than twice as many get that much as did in 1950.

Of the 50,000,000 families, more than 20,000,000 make over \$5,000. They are the families that have more than enough for the bare necessities, and whose spendings account for a major part of the growth of business. Their numbers are growing fast: 1,500,000 were added to the over-\$5,000 group in the past year.

Most middle and upper income families are between the ages of 25 to 55, and these are the "buyingest years." In that age group, more than

half the families have incomes over \$5,000.

Most of them live in suburbs, not within big cities. Hence the suburb growth, 30 per cent in the past six years. Further out, on the fringes, a 56 per cent growth in six years. Central cities are slowing down, only five per cent growth in six years. Suburbs and the fringe areas will continue to grow. Land values are rising.

THE SORRY STORY OF SCHOOLS

Schools are already jam-packed, already inadequate, yet headed for worse. Despite frantic building in recent years, the crop of kids outruns it. For elementary schools, 30 per cent more kids in just nine years, by 1965. And for high schools 50 per cent more in 1965.

Spending for schools may have to be doubled by '65 just to catch up. Money must come mainly from local taxes, for federal aid will always be laggard, also very limited.

Colleges have a worse problem because of high births in the past, the trend to college for more kids, plus the need for more education. In college now, 3,200,000 students. Ten years ago it was 1,700,00. In 1965, 5,200,000, or 60 per cent more. Thus an emergency in the near future.

Private and independent institutions can expand a little, but not much. They lack the money and the desire. So mainly it is up to state schools, colleges, universities, supported by tax money. But even some of them can't expand much. The answer seems to be in establishing branches of state universities, located in convenient or populous areas throughout the state. Also in two-year junior colleges, locally operated. There were 300 of them in 1930, now there are 500.

SHORTAGE OF WORKERS

The worker shortage will be more acute in the next few years. Young workers, 25 to 34 will actually decrease, because of the low birth rate in the 30's.

So older workers must be used to fill the gap in the next few years. It is a statistical must, not a mere sentiment or social welfare thought. Also older workers aren't as "old" as formerly. They are more productive because of new machines, better health, better education.

Women workers now, 21,000,000. Included in this total, one-third of all married women. By 1965, expected total of women in work force is 27,000,000.

FASTEST GROWING STATES

Florida is the fastest growing of the big states percentagewise. Population up 36 per cent in six years, which means 1,000,000 new residents. California up 27 per cent in six years, adding 2,900,000 people. Other fast growing states: Delaware, 26 per cent; Maryland, 20 per cent; Michigan, 18 per cent; Texas, 16 per cent; Ohio, 15 per cent; Oregon, 13 per cent; Indiana, Washington and Louisiana, 12 per cent.

SIDELIGHTS ON GROWTH

Births out of wedlock are more than double the prewar rate . . . church membership is rising, particularly in suburban areas . . . divorce rates near level in the past five years, but still higher than prewar . . . negro population rising slightly from 10.2 per cent to 10.9 per cent of total.

Summarizing the economic problems of the future, Kiplinger says, "We shall have more young, and many of them will be going to school longer. More retired oldsters, for the life span is lengthening. Both young and old must be cared for by people of middle or working ages. Can we manage? Yes, thanks to productivity. Even shorter work hours? Yes.

"So there you have some high points on population, meaning people, the American people. They are the nation's wealth. The material things have value only insofar as they serve the human needs, the human welfare. As a people we have many faults and immaturities (and we publicize them), but we also have vigor, momentum and conscience (not always recognized), and these are good omens for the years ahead."

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PLANT SECURITY means INDOCTRINATION — PLUS

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 A security program must be thorough.
 A poor one is almost as bad as none at all.

PLANT SECURITY is universally applicable to industry, although it usually is associated primarily with establishments turning out defense work or operating exclusively under government contract.

Most principles of the rounded security program as practiced in plants where national security considerations are of first importance can be applied to the general security plan of almost any plant employing substantial numbers of workers.

Some of the factors common to all industrial security programs are protection of information (such as trade secrets), and handling of company property, records, and money.

Development of a successful security program requires that each employee be security-conscious. Experience at the National Reactor Testing Station near Idaho Falls, Idaho, where Phillips Petroleum Co. operates several facilities for the Atomic Energy Commission, has

shown that this objective is best accomplished through use of an aggressive yet clear security indoctrination combined with a continuing security education program. It is felt that the plan evolved by Phillips Petroleum Co. for its own facilities at the National Reactor Testing Station might prove of value to other plants initiating or operating security programs.

The program has been devised after consideration of the size of the plants, their location, the number and kind of employees, and a determination of the amount of security required. Equal attention has been given the types of facilities for which Phillips is responsible in the operation of the project, research, production, maintenance, and service and supply functions.

Security operations at the National Reactor Testing Station cover a wide geographic area. The headquarters building which houses essential ad-

ministrative functions is located in Idaho Falls. Plants are spotted 45 miles west of town. Hub of the plant areas for service and supply functions is at Central Facilities. This area gives maintenance, warehousing, transportation, cafeteria, and other services to each of the several plants located on a quarter-circle of approximately five-mile radius north and east of Central Facilities. Plants are located approximately two miles apart. The Atomic Energy Division at present has approximately 1300 employees-approximately 25 per cent engaged in technical work, 25 per cent in administrative work, and 50 per cent in operating and maintenance work. The National Reactor Testing Station is rated a class A security installation by the Atomic Energy Commission, and the security program must be administered to meet requirements of this rating, in addition to company plant security standards.

Problems demanding action during the past several years have covered a wide range. Among these are: a program for protection of classified information; safeguarding moneys from the several income services (such as transportation and cafeteria services); protection of property in the warehouses and stockrooms, as well as that issued to individuals for performance of their work; solving certain ethical problems such as conduct on the job where security is involved; and inauguration of procedures affecting methods of work where security principles are involved. As a result of the experience with these different problems, the following method of security indoctrination has been designed in combination with the continuing security education program.

Security indoctrination at the time of employment has commanded full attention, covered in four steps.

ONE—The new employee is given a written indoctrination statement to read. Upon its completion, he signs the acknowledgment of understanding on a separate page, retaining the indoctrination statement for further reference.

TWO-The employee is then shown a combination sound-slide lecture which utilizes the pictorial method of explaining security aspects of various problems. Important items covered in the written indoctrination statement are repeated here. This combination sound-slide lecture is the most effective indoctrination tool. It takes advantage of the picture method of presentation at a time when the new employee has received a quantity of written information and ideas with regard to company benefits, personnel policies, etc., and has read and signed a number of statements required for adequate personnel records. This lecture is accompanied by 35 mm slides taken locally; the magnetic tape can be changed rather easily to keep current with changes in the security program.

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THREE—The plant security officer then personally discusses with the new employee those phases of security rules and procedures with which he will have to be fully familiar. This discussion has proved to be the second most effective tool in that the particular problems the individual may meet can be pinpointed. It provides direct assistance on personal problems rather than presenting general information such as is covered in steps 1 and 2.

FOUR—For those employees assigned to sensitive positions or those transferred to sensitive positions, a personal follow-up is made at their office in approximately two weeks. This follow-up is in the nature of a friendly talk to discover if there are any questions on security that may have come to the employee's attention during the two-week interval, and to inquire if there is any information that should be supplied so he can more adequately perform his new job assignment.

The written indoctrination statement and combination sound-slide presentation cover basically geographic location and type of facilities, application of security rules, use of government and company property, rules of conduct, Atomic Energy Division personalities, and responsibility for reporting incidents of a security nature to either the employee's supervisor or the division security officer. Throughout, it is emphasized that security is a service function. We stress

our eagerness to answer questions and obtain an adequate answer where possible. When an answer to a question cannot be obtained, the questioner is referred to a source of information where he can get the correct answer. The program is built on the consideration that each employee has certain security responsibilities, both as a citizen of the United States, and as an employee of the company. As such, if properly motivated, he will assist in effecting good plant security. In security the preventative course is pursued wherever possible rather than the punitive course.

Once on the payroll, the employee receives a continuing education program which consists of the following major points of emphasis:

ONE—PERSONAL CONTACT

Maintenance of an infraction program which requires contact and review of security problems on the part of the supervisor, branch manager, assistant manager, and project manager level for each succeeding security infraction.

Required attendance at an annual lecture. This lecture is divided into two parts: First, presenting changes in security rules which have occurred during the past year; second, a general interest security film.

Conducting a special school of security instruction for stenographers.

Personal contact in solving individual security problems.

Periodic contacts to determine the

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status and adherence to security rules and procedures and for purposes of maintaining cordial relations with all groups of employees.

TWO—WRITTEN INSTRUCTIONS

Periodic issuance of administrative instruction bulletins for inclusion in the plant supervisor's manuals.

Periodic issuance of announcements covering changes in application of rules.

Issuance of a monthly security bulletin entitled "Security Standards."

Visitor greeting cards and souvenir termination cards.

THREE—VISUAL EDUCATION MEDIA MAINTAINED ON A PERIODIC BASIS

Jumbo billboards at plant entrances, bus posters, and posters for security bulletin boards.

Stickers for application on mirrors, safes, letters, and telephones.

Printed slogans or media on stenographers' notebooks, pencils, matchbooks, envelopes, and postage meter plates.

Slogans in telephone books, special markings used on wrapping and bandling of classified information.

Special classified document covers.

FOUR—WRITTEN MEDIA SUPPLIED FOR CONSUMPTION

Payroll stuffers.

Permanent signs giving general in-

structions as well as specific instructions such as boundary or entrance signs; warnings on classified discussions; and erasures on blackboards.

FIVE—PARTICIPATION ITEMS

Utilization of contests covering development of slogans; poster designs; telephonic contests involving repeating the saying of the day.

In addition to the above, we conduct an annual security week which emphasizes all the above facets, besides giving a blanket covering for one week's time. Certain indirect security education is also obtained from (1) proper slanting of articles in the division's magazine emphasizing the effect of security on other jobs within the organization, (2) circulation of minutes of the NRTS Security Committee, comprised of representatives from the Atomic Energy Commission and other contractors located at the National Reactor Testing Station.

Success of the security education program is due to management's wholehearted endorsement and the employee knowing that he will personally benefit from security through application of adequate procedures and practices. The blending of indoctrination, continuing education, and management support has resulted in a continued reduction of the number of infractions and misapplications of procedure even though the size and scope of the operation has increased.

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THE LEOPARD'S SPOTS

A short story with safety in mind . . .

by Robert H. Emerick

THE AFTERNOON TEMPERATURE was dropping steadily. The night promised to be the coldest of the winter; already the thermometer stood below zero, and "Big John" Dickson, chief engineer of the district steam heating plant, did not like to leave the plant until the steam demand stabilized.

However, he was scheduled to speak at a banquet in honor of the company's newly appointed president, a man who had started in this very plant under Big John himself, 30 years ago, and all the brass expected Big John to be there.

Reluctantly, his ears filled with the squealing of the mechanical stokers as their burden increased steadily, he pulled on his overcoat. Charlie Black, the night shift engineer, came in followed by a young fellow who was reporting for work as a new fireman.

"Chief," said Charlie, "This is

Howard Doe. Just married a month ago, and we're going to make an engineer out of him."

"Mr. Dickson," said the boy, "I've been wanting this chance ever since I got out of trade school. With Mr. Black to show me the ropes, I can't miss."

"Charlie knows the ropes," Big John agreed. "I hope he pulls the right ones. Especially tonight, when everybody in town wants lots of heat."

"Leave it to me, Chief," Charlie boasted. "I know how to keep everything under control."

But Big John still hesitated to leave. He could not forget the time that Charlie, in a terrific hurry to stop a leak in the steam pipe tunnel, sent two men in there before ventilating, and the men were hospitalized for a week. Or how Charlie, trying out a new bandsaw, lost the end of a finger just by demonstrating where

not to put fingers. Would such a man make the right moves tonight, if something broke down under the growing strain?

Charlie spoke, as though reading his mind.

"Don't worry, Chief. Nothin's goin' to happen. And anyway, I been in this business 10 years, remember?"

"I guess I'm just the worrying kind, Charlie."

Then he put on his hat, and stepped out in the old snow lying dirty on the streets, and into the bitter new wind above it. But with the temperature dropping as it was, he continued to worry. The plant was old, and like himself, tired. Sitting at the speakers' table in the City Hotel banquet hall, with the vice-president of engineering on one side of him, and the editor of the newspaper on the other, he had the feeling he had left a boy to do a man's job. He wished that Charlie, who always acted first and thought afterward, could learn to reverse those actions. He would feel safer

He had just reached the dessert when a waiter whispered he was wanted on the telephone at the desk. He got up wearily and apprehensively, feeling every one of his sixty years.

"Chief?" It was Charlie all right, yelling into the telephone, "We just lost Number Four boiler. A tube blew out. And line pressure's droppin'

like a shot duck. What d'you want me to do?"

Big John remained silent, considering. Outside the frosted window panes, the street lights seemed to reflect from diamonds in the snow. The bitterest night of the winter; he might have known this was the night trouble would come. He ought to go to the plant. But he had to make a speech. The brass was waiting to hear him talk.

"Charlie," he said finally, "light off Number One boiler. It's been down for cleaning. You should get her on the line in an hour, even from cold. Speed up the stokers on the others. What's your pressure now?"

"One hundred fifteen pounds. She dropped 35 pounds in ten minutes. And she's still dropping."

"Try to hold it at 100 pounds. Think you can start up Number One by yourself?"

"Chief! How can you doubt? After 10 years in this plant!"

"O. K. Call me when Number One is on the line."

The waiter had taken away Big John's desert, and the vice-president of engineering was anxious.

"Something go wrong at the plant?"

Big John nodded and explained, the newspaper editor cocking an ear for a bit of hot news.

"Want me to read your speech?" asked the vice-president "so you can go out to the plant?"

Big John hesitated. This was a way

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out and he would feel better by going, but just then the newspaper editor spoke up half seriously, half jokingly.

"Haven't you people got any trustworthy engineers except Big John? What'll you do when he retires?"

"We've got all the good engineers we need—experienced engineers," snapped the vice-president. "Big John doesn't have to go unless he wants to."

"Experience doesn't make the leopard change his spots. Seems to me," said the editor, "I remember one of your engineers sending two men into a pipe tunnel. It was in the paper. Is he a good engineer now?"

He looked shrewdly at Big John, who said hastily, "He was always a good engineer. Every man forgets to think straight, occasionally."

After that, Big John felt he had to stay there, to back up the vice-president's words, and his own. But he was on pins and needles, waiting to be called on to speak, cracking his fingers under the table, hoping each waiter who approached the table was carrying a summons to the desk telephone.

The speech finally was finished and the applause faded but there was no call from Charlie. To Big John, it seemed he had time enough to steam two boilers, and finally he could bear the strain no longer. He excused himself from the table and headed for the plant, driving fast over the snowy streets.

And the moment he stepped inside

the plant, the mists of trouble literally wrapped themselves around him. The place was dim with cooling steam, white vapors eddying around the lights, condensing and freezing on the windows. He glanced at the master pressure gage, and read 60 pounds, going out to the city.

A ghost of a man came toward him through the mist, vague and unsteady in his walk, and at arm's length Big John saw it was Charlie.

"The fool! The idiot!" Charlie was half crying. "I sent him up on top of the boiler to open the stop valve. The valve stuck a little, like it does occasionally. So what does he do? He gets a sledge hammer and slugs the cast iron body of that valve with 100 pounds steam pressure on it. And it burst. I started the motor valves on the steam main and cut off that part of the main, or we'd all been scalded to death"

"Is he dead?"

Charlie sat down, trembling, on a dismantled pump.

"I think so. The hospital people took him off in an ambulance. They said they would call his wife. Why did the company send me a boy like that, barely out of trade school, and no experience?"

Big John asked quietly, although he felt he already knew the answer:

"Did you tell him to slug the valve, Charlie?"

"Of course I didn't. Any fool knows not to hit a valve with a sledge hammer. I just said, 'Hit it

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a couple of times Howard, to jar the disc loose.' I thought he'd rap it with a piece of wood, or maybe kick it. I've loosened that same valve with a kick, myself."

Big John sighed, recalling the newspaper editor's words, that experience does not change the leopard's spots. Then he said the words he probably should have said long ago:

"Go home, Charlie. And clean out your locker. Because you're not coming back." "But Chief, it wasn't my fault."

"You've heard again and again," said Big John patiently, "that a supervisor who orders a man to do a job without telling him what to use, leaves everything to the man except accountability for what happens. The accountability stays with the supervisor, in this case you. You're finished, Charlie. I hope the police don't charge you with criminal negligence."

Then he picked up the telephone and put through a call to the vicepresident of engineering.



"Relax . . . someone's always letting the cat out of the bag around here!"

The Supervisor's

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RESPONSIBILITY

by J. C. Magestro



W HAT MUST WE DO as supersonnel under us so they may become better and more valuable employees?

Sounds simple enough, but this problem alone is the cause for more concern than many others confronting management men today. No doubt you have heard these questions asked: "What future do I have with the company? Is there a chance for advancement? I don't seem to be learning very much on the job I am doing."

An often-used answer to these question is: "Your future depends on you and you will only get out of a job what you personally put into it." This answer, in itself, is true, but is it sufficient? Our responsibilities as supervisors are to lead and direct personnel under us, so that through their own initative, they may advance.

Some people have the initiative to learn new jobs, or take the time to

learn them, but the majority must be directed.

There are a number of ways this can be accomplished:

ONE—Suggestions or advice: Let's use the hypothetical case of the draftsman who sought an increase in salary but was told by his supervisor that he was receiving the maximum salary in his classification and nothing could be done. This answer could create a dissatisfied employee. Would it not be better for the employee, you, and the company, to suggest ways of bettering the employee's classification? This can be done by suggesting the study of books and courses in the fields related to the company's product.

TWO—Training programs: Conduct an evening training program with you and your more experienced employees as instructors. Of course, the attendance at the program for the students and instructors should be on a voluntary basis. This is one

sure way of determining who is interested in getting ahead and you may discover some hidden talents which otherwise may never be apparent. There is, in every man, a desire to advance, but it is for us, the supervisors, to show the way.

Treat all employees as human beings. Without their cooperation the task of producing a saleable product will be increased. Build a sense of cooperation between employer and employee that creates harmony. Without each other, there can be no business.

Be courteous and friendly, but don't let familiarity get to the point where the respect of the employees is lost.

People, being human, will make mistakes and are entitled to make legitimate mistakes. When this occurs for the first time, show the person how he was mistaken and explain to him that more care should be taken in the future. If he persists in making the same mistake, or is continually making mistakes, then he should be dealt with according to company policy. Under no circumstances should an employee be reprimanded in the presence of others.

If the work of an employee is below standard or he has a "don't care attitude," he should be made aware of his poor work and attitude and given a chance to improve before any drastic action is taken. Bi-yearly performance reviews with the employee is the way this problem is handled in many companies.

Don't lose your temper while on the job. It is a sure way to make a fool of yourself and you may say something that you may be sorry for later. This also is a sure way to lose respect. If this does happen, be man enough to apologize.

Retain your poise and sense of humor at all times, even under the most trying conditions. If you don't, consider yourself a sure candidate for the ulcer league.

Train and help your employees to think freely. Listen to their ideas and suggestions, however radical and improbable. One of the fundamentals of all sound education is to bring about a free exchange of ideas among individuals. Although we do not realize it, we are in a sense, educators and, as such, it is our responsibility to get from each individual the best that is in him.

Build a sense of participation among your employees, make them feel that they are needed. This helps to build personal satisfaction and the success of a job. Actually the real success of any job is in improving it.

Our responsibilities as supervisors are, therefore, to point the way, train, and above all, listen. In this way we may all work together in producing a product that will hold its own in our stiff, and ever changing competitive system and thereby insure our own jobs.

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A CCORDING TO Fortune magazine there is nothing wrong with the American business mind that a liberal education wouldn't cure.

Russell Kirk, onetime professor of history and the author of six books, writes that intellectually the businessman is "sadly wanting." "By neglecting the Hebrew prophets, the Greek philosophers, and the rich heritage of Western thought, businessmen have missed the humanizing process," according to Kirk.

Inhumane businessmen, says Kirk, are not very good businessmen. The techniques they learn in business schools only breed refinements in technique. These techniques moreover, lack the qualities that make leaders of society. Like Aristotle's slaves, says Kirk, "the young men who are to govern our industry and, to a considerable extent, our public policy are actually disqualified by the necessity of unremitting labor from taking part in public affairs."

Kirk blames the neglect of the humanities on both businessmen who influence educators and educators who pander to the prejudices of businessmen. Businessmen are at fault because they persist in hiring graduates trained in narrow specialities. Educators are at fault because they cravenly offer "business courses" in return for gifts from business.

"There is nothing to which we will not stoop," says the president of one state university, "if the public seems to demand it."

As Kirk sees it, business has been living on intellectual capital. That capital must eventually be replenished, or the nation will be culturally bankrupt. The result of such bankruptcy: "a society of meaninglessness, or a social revolution."

LETTERS

... to the editors



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SINECURELY YOURS

Sirs:

In your May, 1957, issue, an article was printed entitled, "Some Women Are Rough Bosses" by James Taylor.

Although I can understand Mr. Taylor's motives in writing the article and was somewhat amused at the manner in which he rationalized his "phenomenally lousy luck" as an industrial worker, it was surprising that a magazine published by the National Management Association would print an article which gives such a travesty of a worker.

The author of this article evidently was not suited to industrial work and it was the consensus of opinion of both men and women with whom I work that he would have experienced difficulties with any supervisor who expected a worker to work. Making wreaths in a florist shop under another "woman hater" who couldn't keep his wife, and consequently preferred "Old Smuggler," seems to be just what Mr. Taylor is best fitted for, and our advice to him would be to hang on to what is a "sinecure."

It would seem that the standards of

MANAGE are lowered by printing what could be best described as the gripes of a worker who must find something or someone besides himself on which to blame his failures. It is only to be hoped that MANAGE had an ulterior motive in printing the self pitying cries of one who didn't find that perfect job of good pay, many worker benefits, and no work attached! . . . Mrs. Margaret Daniel. Del Mar. Calif.

ED. NOTE-The name James Taylor is the pen-name for a well-known freelance writer. The job situations mentioned in his article, "Some Women are Rough Bosses," are strictly fictional, and were written (the editors of MANAGE bobe) with the author's tongue firmly placed in cheek.

COMPLETE UNDERSTANDING

Sirs:

A complete understanding of every phase of the NMA will result in stronger clubs, stronger districts, and a stronger and purposeful organization.

This educational program pointed towards all available NMA activities and especially the prospec-

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tive elected members of this club. My ultimatum is to create a more complete understanding of the NMA organization, its history, its objectives, its operation, its privileges, and obligations of membership. It must be remembered that this club is not a business contact organization, but rather a group of men banded together for the betterment of themselves, the company, and the community.

A better and complete understanding of the NMA organization will develop a greater pride in membership and a realization that membership involves definite obligations and duties as well as privileges. Because of each individual's active membership, the local club becomes a stronger unit of ever increasing service to its members.

I am very pleased and happy to be able to pass this information on to you that at the May 3, 1957, meeting of the AVCO Management Club, it was almost unanimously voted to accept the membership increase of the NMA, which automatically affiliates us with the National. There was

only a small minority that voted against the amendment. . . Chester A. Butler, Secretary, AVCO Management Club, Nashville, Tenn.

ONE OF THE BEST

Sirc:

MANAGE magazine is certainly developing into one of the best publications of its kind in the United States . . . I have enjoyed the articles about the Ancient Foreman (Egyptians, etc.) that have appeared and it is a real pleasure to read the columns by Louis Ruthenburg . . . and, as usual the cartoons can't be beat . . . John C. McKee, Long Beach, Calif.

OUT OF THE NEST -

Sirs:

I am a graduate of Oklahoma A. & M., class of 1957, with a major in industrial arts.

Where may I seek employment? . . . Gertrude Endeelin, 324 Conway Blvd., Conway, Ark.

"How long have you been working for the company?"
"Ever since the office manager threatened to fire me."

A hard-tempered Southern businessman once wrote the following letter to a man who had been circulating slander about him:

"Sir, my stenographer, being a lady, cannot type what I think of you. I being a gentleman, cannot think of it. You, being neither, will understand what I mean."

BUSINESS NOTEBOOK



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FORTUNATELY FOR PROGRESS, the American consumer has a habit of being smarter than the men who make and sell the goods he buys. Mr. and Mrs. Average Buyer have the power of life and death over whether the manufacturer, the distributor and the retailer are going to stay in business.

Makers of the brassiere, the automobile and the television receiver know this well. At first—

THE BRASSIERE'S JOB

-was merely to supply support that muscles could not give. Now the American designers, all of whom seem to be graduate engineers with specialized training in three-dimensional curved angles, spherical trigonometry and advanced calculus, have worked out intricately clever combinations of wire, elastic and peek-a-boo lace so that every woman, no matter what her actual figure, can appear to be a Jayne, a Marilyn or an Ursula. There may or may not be soft flesh underneath. The wearing of such a brassiere beneath a dress produces-

THE DESIRED IMPRESSION-

-regardless of the underlying truth. The well-equipped woman passes up such assistance and wears a dress in such a way as to expose as much flesh as she dares, thus proving she is really all there and is not relying on the convincing substitute supplied by the brassiere manufacturer. This is where the producer loses trade, although he no doubt gains in the long run.

The Department of Agriculture reports that the average American girl is one to three inches bigger in the bust than the standard dress pattern worked out by its home economics section. Most dress pattern manufacturers a year ago increased bust measurements in a size 16 (misses) from 34 to 36 inches. The government has been sticking to a 34, which is based on research that dates back to 1939. An official of the department conceded that the bosom had gained, and ascribed the

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fact to "a combination of growth and better uplift brassieres."

In television, too, the customers are far ahead of the manufacturers. They do not think much of the fare offered. They want the real thing—entertainment—and, not getting it, are buying elaborate record-players and long-playing records in quantity. They also have been buying—

DIAMOND NEEDLES

—at \$25 each, and manufacturers are able to sell all they can make. Walco Products, Inc., of East Orange, N.J., has just introduced the first process for automatic manufacture of the diamond needle, and the first effect will be to cut the national retail price of the Walco stylus, which helps to save expensive records from damage, from \$25 to \$14.95.

Robert Walcutt, president of Walco, looks for the diamond needle, accordingly, to be standard equipment on ready-assembled hi-fi players in the medium-price range. These previously had been fitted with sapphire needles, which don't last as long. The prospect is for sharp gains for the record and hi-fi industry and further growth of the listening audience.

The low-priced diamond needle is not good news for the television industry. While there are close to 39,000,000 homes equipped with television, it is well known that—

VIEWERS DON'T VIEW

—in many of them. While millions do watch the cowboy rescue the rancher's daughter at the ranch (or the prince in disguise rescue the princess at the castle) there are millions more who don't. Set manufacturers are planning desperate measures to cut their heavy inventories, and large-space advertising is planned to back early introduction of 1958 models.

It is the program planners who hold the real answer, but the costs of production and of air time are so high and the risks so great that they are relying on sure-fire westerns and public-domain fairy tales, along with the ever-present quiz show, with only an occasional gem to illustrate the good use to which the electronic marvel can be put.

Much the same unhappy story comes from Detroit. Jobs in automobile plants are fewer, with—

TINY FOREIGN CARS

—taking the cream of the business. Harlow H. Curtice, president of the giant General Motors Corporation, said at the concern's annual meeting recently that 1957 was a disappointment and that he looked for a total sales volume for the industry to be 5,800,000 units, rather than the 6,500,000 that had been expected.

The foreign cars are expected to sell only about 200,000 units by the year-end, but it is significant that while this number is comparatively

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small, midwestern buyers are driving the imports and many persons throughout the country are on waiting lists for them. The buyers used to be wholly in the east, and no one had to wait very long for an imported car. Mounting sales volume, held back only by delivery shortages, indicates what's ahead.

General Motors is about to market in this country its British-built Vaux-hall Victor and its West German car, the Opel Rekord. Ford's international division, which makes several models in England, is stepping up sales activity, too. The German Volkswagen is doing well, and so are the German Mercedes-Benz, the Italian Fiat, the French Renault, Simca and Citroen and other cars—ordinary low-priced models, not the fancy and high-priced sports jobs—from many countries.

The automobile prospect is kicking over the traces, like the brassiere customer who doesn't really need a brassiere and the man who is fed up with the repetition on the television machine. In autos, what is going on is the consumer's answer to the climbing prices of American cars, their increasing size, the high speeds that are of no value on a bumperto-bumper highway, the parking problem, the fact that present garages won't take some of the extralong monsters and, in some instances. extremes in design that date a car rapidly.

The price difference is illustrated

by the Detroit story of the Texan who bought himself a Cadillac and took his change in Volkswagens. Detroiters also are telling, without laughter, the jest of the Cadillac owner who put a placard in the rear window, reading, "Help Stamp Out Sports Cars."

It is not only foreign-made automobiles that are cutting in on the American market, but—

OFFICE MACHINES

—that are adding a threat of their own. Printing calculators from Italy, typewriters from Germany, adding machines from Sweden and a good many others are doing so well that American office equipment companies are working out arrangements with European producers to sell the products under American trade names. Burroughs is offering German cash registers, Felt & Tarrant German calculating machines and Royal McBee and Remington Rand lightweight typewriters from the Netherlands.

This country, while losing on office equipment as well as brassieres, television and automobiles, is gaining in other fields. A notable advance was scored recently in—

CHAMPAGNE

—served on board planes. While domestic wines are often served on American aircraft, it is noteworthy that British Overseas Airways has just begun serving an American ber

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champagne, product of the Paul Masson vineyards at Saratoga, Calif., on all flights over United States territory.

Masson wines have been winning awards for more than 80 years, and Louis Diat, who served as executive chef of the Ritz-Carlton Hotel in New York from 1910 to 1951, recommends Masson products with menus he has worked out. It is almost 60 years since Sarah Bernhardt, the French tragedienne, endorsed American champagne. Now the Russian vintners are attempting to cap-

ture some of the market for wines, and their technique is to attack—

VODKA

—as "an enemy," although it has long been the equivalent of a national drink in Russia. Plans are under way to increase tenfold the area under cultivation to wine grapes in the Crimea and to promote wines of the area in opposition to the powerful yodka.

It begins to look as if the Russians were learning the virtues of a competitive economy, in which the best producer wins.

Two friends met on the street. One of them was using crutches.

"Hell, Ed," said the other man, "what's the matter with you?"

"Street car bit me."

"When did that happen?"

"Oh, about six months ago."

"And you still have to use crutches?"

"Well, my doctor says I could get along without them, but my lawyer says I can't."

"Sir, my wife said I should ask you for a raise."
"Good, I'll ask my wife if I may give you one."

THE BUSINESSMAN'S DAY—IF YOU CAN BELIEVE THE OUTLINE HIS SECRETARY GIVES OVER THE PHONE:

MORNING: "No, sorry, but he hasn't come in yet."—"I expect him any minute."—"He just sent word he'd be a little late."—"He's been in, but he went out again."—"He's gone to lunch."

EVENING: "I expect him in any minute."—"He hasn't come back yet. Can I take the message?"—"He's somewhere in the building. His hat is here."—"Yes, he went out again, but he was in."—"I don't know whether he'll be back or not."—"No, he's gone for the day."



GREAT CONCERN for underprivileged children led the American Steel Foundries Management Club of Hammond, Indiana, to choose a civic project well worthwhile this year.

After conferring with local Community Chest officials and considering several courses of action, club members voted unanimously to take over redecoration of some of the rooms in three Hammond Community Chest homes for children.

To accomplish the task, three committees were established to direct the work. One was chosen for each home and the club membership was divided into three work parties. Materials were purchased from club funds after a survey revealed the needs.

Then the management men went to work.

At Brooks House of Christian Service, 22 men worked a total of 154 man hours in renovating a large assembly room from the floor up—and including a portion of the floor itself. The room measured 1224 square feet of floor space. They started with repairing of the wood

panelled ceiling and ten square feet of plaster wall. They followed up with washing the walls, windows, ceiling and floor. After painting the ceiling, walls, radiators and woodwork, they replaced all the shades and drapes. The executive director of Brooks House now says it is a delight to hold meetings there and many have commented on the management men's work.

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About 120 man-hours were put in at the Bethany Home where some 35 boys and girls live. Twenty-four American Steel men worked an average of five hours each in cleaning and painting three sleeping rooms, two large halls, and the office. In the office they even installed new wall board and wallpaper. This work took up three Saturdays.

Smallest of the three parts of the project was the work done by 24 club members in the Carmelite Home for Boys. These men spent 114 man hours redecorating the home. They started with patch plastering and painting, applying two coats of paint in a two-color scheme. This took care of two large sleeping rooms

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which occupied a total of 700 square feet of floor space. To finish the job, they performed a complete wash job on a large toilet-, wash- and bathroom combined.

All told, 70 men donated a total of 388 man hours to complete this project and \$108.57 from the club treasury was spent to procure materials.

Accomplishment of this humanitarian project not only drew praise from the agencies and individuals directly concerned, but resulted in interest by the local newspaper which carried stories telling of the American Steel Foundries Management Club and their service to the community.

> Bob Zvan, President; Tom Franklin, Immediate Past President



"And I don't want to have to reprimand you again, Bradshaw.

My nerves won't stand it . . ."

A Supervisor's Guide to Intelligent Labor Relations . .



ACT on **FACT**

by James Black

strike is industrial war, and there is no such thing as a friendly war.

That's why, after a strike, smart management takes such pains to give its supervision precise instructions on the treatment of returning workmen. The foreman must get across the idea to employees that the strike is over, that it's a chapter in a closed book, that there is no hard feelings. He must show that the company's main concern is to restore the plant to normal production and to normal working conditions, and to do so as rapidly as possible.

NO EASY JOB FOR A FOREMAN

This is no easy assignment, especially if the strike has been long and bitter. Emotions on both sides have run deep. The work stoppage may be over, but the mutual feeling of resentment isn't. Humans being humans, you can't turn off their rage and prejudices simply by signing a

NE OF THE MOST ticklish problems in employee relations is getting a plant back into production following a strike. A

> piece of paper. Moreover, if the plant has continued in production during the strike, returning workers are likely to take an antagonistic attitude toward employees who remained loyal to the company and continued on their jobs. Epithets like "Scab!" and "Yellow-belly!" may be exchanged for terms like "Sucker!" and "Sorehead!"

> On top of all this is the foreman. It's his job to rebuild a working production team from two groups of hostile employees. Now, if ever, he must be a leader.

> Now, if ever, he must be firm, patient and understanding. He can't allow himself to be provoked into a fight. Nor can he afford the luxury of venting even justified anger on an employee if it interferes with his judgment and control of the situation.

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He is like a man driving a truck load of TNT. If he is careless and hits a bump too hard, there may be an explosion.

THE ORDEAL OF FOREMAN WILLIAMS

John Williams, or so we'll call him, had gone through a rough time. As a foreman at a midwestern manufacturing company, he had twice daily crossed the picket line for 12 nerve-wracking weeks. "Hey, scab!", "Hey, company stoolie!" were some of the nicer names that had been hooted at him by men he had once thought of as friends.

But John Williams had a company responsibility. He was a foreman, a member of management, and he had an unpleasant job to do. What's more, he had the courage to do it. However, he would have been the first to admit that his nerves were rubbed raw, that he was irritable and trigger-tempered. The strikers had gotten to him, down deep underneath the skin.

At last it was over. The contract had been signed. The plant was resuming production. John Williams breathed a sigh of relief. "Now maybe we can get back to business," he thought. And then it happened! "Hello, Williams," said a familiar voice. "Where the devil have you been scabbing lately?"

WHAT WOULD YOU DO?

Put yourself in John Williams' place. You're tired. Your temper is

shorter than a five-cent beer. You've taken insults and abuse for weeks just for doing your job. The men who cat-called at you knew perfectly well that as a supervisor you were not bound by their picket line and that you had every right to pass freely to and from your job. Actually, they expected you to. Oh, sure, a psychologist could explain their behavior. He would say that you represented a symbol, a symbol of the company which temporarily they hated, and they were merely taking out their resentment of the company on you. Perhaps that's true. But, then, you're not so symbol-minded. Besides, you're the fellow who had to pass through the picket line, not theorize on mob behavior as an act of free speech while you enjoyed the cloistered-wall protection of some ivory tower.

That's how John Williams felt. And you can understand it. He had had enough. This last insult was too much. Hot anger seized him. He clenched his fist, but good judgment came to his rescue.

"Where have I been scabbing?" thought Williams. "Maybe that fellow had better go home for a day to see if he can figure it out."

The employee continued on his way, not realizing the anger of his foreman. John Williams went to see his boss to report the incident and to demand that something be done about it. Something was! The employee was given a day's suspension.

This led to the filing of a grievance, a grievance that eventually came before an arbitrator.

THE COMPANY'S CASE

"Yes," said the company, "we suspended the employee. He deserved the punishment. The terms of our settlement with the union included the provision that both parties would conduct themselves so as to facilitate harmony among all employees and to avoid such activities as would bring about disharmony. Each employee is required to cooperate fully with all other employees and with supervisors to re-establish pleasant relations following a strike. Yet here we have a man whose first act on coming back to his job is to insult his foreman. It couldn't be tolerated. The contract had been violated. The punishment was entirely justified."

John Williams testified. "He (the employee) said, 'Where the devil have you been scabbing?' I had been called 'scab' and worse for weeks. This was just too much. I was fed up. Actually, I started to hit him. Then I remembered I was a foreman and that we were on company property. Thank goodness, I didn't hit him. He wears glasses. Yes, I controlled myself. I did nothing. I let him walk away. Then I reported the incident to my boss and we decided that an example should be made. The employee was given a day's suspension."

THE UNION'S VERSION

No violation of the contract occurred, argued the union. Certainly, it admitted, as did the employee, the remark was made. But the man meant nothing by it. It was intended as a jovial greeting, a bit crude, of course, but innocent of malice.

The employee told the arbitrator, "I was just being funny. The strike was over. Nearly everybody had come back to work. Greetings between those who had not seen each other for some time were in order. Of course, I knew perfectly well that management people hadn't been on strike. I did not expect our supervisors to participate in a work stoppage. I guess Mr. Williams just took things the wrong way."

THE POINT AT ISSUE

There you have it. And you can easily understand the situation. On the one hand, there was Foreman Williams, tired, nerve-worn, touchy, but still in control of himself. Remember, he did nothing in the heat of anger. He did not resort to spontaneous discipline.

On the other hand, we have the employee. He's just back from a long strike, and he said something that his supervisor took as an insult. There were no witnesses to the scene, so it was a matter of one man's word against another. Maybe the employee was just being jovial, or maybe he really meant what he said and

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concocted his explanation later to escape punishment for his remark. Whatever the case, his "timing" was off.

"Timing" is an important element in human relations. Some people just don't have it. You can imagine the answer you'd have gotten from Noah right after the flood if you had asked him whether he would like to go to the mountains or the seashore for a vacation. Right then he'd probably had enough of both.

DECISION OF THE ARBITRATOR

The arbitrator had to decide a very simple issue. It amounted to this: Did the employee intentionally insult his foreman? Or was he simply an insensitive type who went around saying the wrong thing at the wrong time? If the answer to the first question is "Yes," the problem is solved. The man deserved his punishment.

Shall we see how the arbitrator reasoned?

"There is," he said, "a considerable proportion of the population of the world who attempts to be jocular, some very frequently and some otherwise, in ways involving stupidity and bad taste. Some have no 'sense of humor.' Some aggravate others by 'clowning' and joking too much. I grant that a man of acute perception and capacity to understand the feelings of others would not have directed such a question to Foreman

Williams. Still, I feel there is no reason to assume that the remark was so insulting as to merit discipline. The employee did not directly call Williams a scab. This was not a case of a foul or abusive epithet applied to the person spoken to. The remark was in the form of a question, and while the word used, 'scabbing,' implied that the foreman in his activity might be suspected of being what union men call a 'scab,' the indisputable fact remains that the words of the employee were an inquiry. Both men have testified to The situation would have been very different had the worker said to Williams, 'You scab! What have you been doing lately?' But he didn't. For these reasons I do not think that discipline was deserved, and my decision is that the employee will be reimbursed for the time he lost because of the punishment."

It is really difficult to judge a case like this, for it is impossible to know what went on in the employee's mind at the time of the encounter. However, it must be admitted the arbitrator's point of view makes good common sense. What the worker said was rude and in bad taste. Still, he might not have meant it that way. On the evidence it cannot be adduced that his motives were anything different from what he said they were.

Williams can't be blamed for getting mad. In fact, the way he handled himself deserves praise. Though sorely provoked, he kept his temper

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and refrained from administering punishment on the spot. He consulted with his supervisor, and the discipline meted out was the result of higher management decision.

You'd probably agree that had conditions been less tense, the industrial relations atmosphere not supercharged so emotionally, management might have acted differently. Perhaps if Williams' boss had called the employee to his office, talked to him and heard his explanation of the incident, he might have suggested that he apologize to the offended foreman and the entire affair would have been forgotten. However, both Williams and his boss may have been so convinced that the employee meant exactly what he said that they believed

punishment, sharp and quick, was the only way to deal with him. They may have been right, too.

The personnel ability of the frontline foreman is put to the acid test when he must settle down a plant after a work stoppage. He cannot permit an arrogant, surly employee to take liberties with company rules, with supervision, or to infringe on the rights of other employees. At the same time he must have deep. human understanding of the problem and deal with each situation as it arises, calmly and with sound horse sense. The employee may be insensitive, ignorantly but innocently rude. and imperceptive. The foreman cannot afford to be. That's why he is foreman.

This case was described in the LABOR RELATIONS REPORT March 13, 1957.



"Nothing important, Miss Glatts . . . I just like the way you handle your skates!"



by Lloyd P. Brenberger

NOTE: To be considered for \$10 cash awards and certificates of special citation, all solutions to the problem must be postmarked no later than OCTOBER 10, 1957. Address your solutions of no more than 500 words to Editor, MANAGE, 321 West First Street, Dayton 2, Ohio.

PROBLEM No. 19

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MESSY LOCKER ROOM

The men in Max Doe's group had been complaining about the uncleanliness of their locker room for a number of days. Max had passed the complaint on to plant housekeeping and had been making daily visits to see what improvements had been made. As he entered the locker room one morning he saw Gus, one of his mill hands, leaning against the wall, directly under the No Smoking sign, reading the newspaper, smoking a cigarette. Max asked Gus to come into the office. He took out the supervisors manual and read the following statement to Gus. "The penalty for smoking in areas where smoking is prohibited is: The first offense—three-day disciplinary layoff. The second offense—five-day disciplinary layoff. The third offense discharge.

"We have always followed this procedure to the letter," Max told Gus.
"But that's pretty harsh," Gus replied. "There is no fire hazard close by, what's wrong with that?"

"You know the rules Gus, so that's the way it has to be," Max said. "Okay then, I'm going to file a grievance," said Gus, "Get me the Steward, we'll get that stupid rule changed!"

How would you handle this situation from this point?

(Remember the deadline: October 10, 1957)

THIS WAS SUPERVISORY PROBLEM No. 16

"Live and let live," is an expression of tolerance that is applied frequently. It has value until something is placed in jeopardy. The something in this case was the effectiveness of Mike, the foreman of the general maintenance crew of a medium-sized manufacturing plant. The man who held the job before Mike was separated from the company very suddenly, leaving the position vacant for a period of about four weeks. During that time, Orvie, who had once been foreman but demoted, assumed the duties of the job. Ory was one of the first employees of the firm and considered himself as a fixture. After Mike arrived it didn't take him long to discover that Orvie worked only when the spirit moved him. In making work assignments, Mike would assign tasks to Orvie expecting them to be finished in a reasonable time. Mike tried to stimulate Orv, but had no success. Mike's boss warned him about Orv and even stated that if he found it necessary he not only could, but should discharge him. Mike felt that he could still bring Orvie around and spent a great deal of his time following up on his assignments. Finally, Mike reached the point where he could no longer tolerate Orvie's performance. Nevertheless, he still hesitated about firing him. What would you have done?

LIVE AND HELP LIVE

By Aram Henesian, Lockheed Missiles System, Inc., Sunnyvale, Cal.

Mike certainly was correct in not firing Orvie. Just as there is no such thing as a bad boy, there is no such thing as a bad employee. Mike's real problem is to determine what really is motivating Orvie to behave in a shiftless manner. I might guess that Orvie, being one of the first employees of the firm, is disappointed in his progress with the firm and is

THE WINNERS

Here are the best solutions to the supervisory problem No. 16. The winners have received checks for \$10 each and a handsome two-color Merit Award certificate suitable for framing.

"fighting back." No doubt Orv resents Mike's presence as a foreman, a position Orv feels belongs to himself.

In my 13 years of engineering and supervisory experience, I have found two truisms:

ONE—Every human being craves recognition, as much as food and water.

TWO—Every human being has a talent (Even the Ozark mountain men have talent, though it may be only for making corn liquor.)

If this problem were mine, I would first assume Orv's viewpoint—i. e., investigate Orv's history and try to see his side of the story. This is probably the only way to determine his motivations. Knowing the basic reasons for his actions, I can then attempt to create a congenial working atmosphere. This certainly cannot be done by merely handing out work assignments and using follow-up pressure to get those assignments fulfilled. I believe that consulting with Orvie and requesting his ideas on the problems of the day will prove fruitful in two ways:

ONE—No man works year after year without obtaining knowledge of company operations and techniques. Cooperation cannot be obtained by autocratic demands, but ask for advice and you will get more than you ever bargained for. Therefore, I could learn from Orv's long experience with the firm.

TWO—By soliciting Orv's assistance, I believe he will feel that he is not only wanted but needed. He will begin to understand that there is a niche for him in the firm.

My next step would be to determine

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Orv's talents. Perhaps, Orv keeps good records, or is a whiz at unravelling the mysteries of complex machinery. I would compliment him sincerely for anything he does well. In this way, I can help him to regain self-confidence and to throw away that "chip on his shoulder." Once Orv begins to think with reason instead of emotion, I can discuss his future with him. I can point out my observations—those areas in which Orv excels. My final act will be to discuss the problem with my superior and thereby help Orvie get his niche.

Supervisors who are reading these paragraphs will groan and say "Who has the time for such personal attention?" Well, my friends, you had better make time. It is your job as supervisors to get results and that means cooperation from your subordinates. The person who cannot delegate time-consuming detail respon-

sibilities is not a supervisor but a candidate for the latest ulcer pill.

The title for Problem No. 16 is "Live and Let Live." To my way of thinking it should be "Live and Help Live."

A DAY'S WORK FOR A DAY'S PAY By Robt. H. Patterson, Jr., Lockheed Aircraft Corp., Marietta. Ga.

In considering this problem, it is necessary to state the responsibility of the employee to his employer and the responsibility of an employer to a senior employee. It is the duty of each employee to put forth an honest effort both on the work assigned to him and to get along with others in the organization. This is simply a restatement of the old maxim, "A day's work for a day's pay." On the other hand, when an employee gives many



"I've listened to some fantastic arguments for employee raises . . . but 'overhaul' is one on me . . ."

years of his life to one employer it becomes the responsibility of that employer to help the employee to find his place in the organization.

In this case Mike is facing a tough problem. He no doubt feels that he himself is something of an interloper and respects Orv's many years of service to the company. Further, he fears that to discharge Orv may lower the general morale of the organization. This respect for the rights of a fellow employee is definitely an admirable character trait and will certainly help Mike to gain the loyalty of those under him.

It is my belief that every effort should be made by Mike and his superiors to help Orv to find a place in the organization where he will be contented and will put forth his best effort. Perhaps a transfer to another department would help to solve the problem. Should all efforts fail to help Orv in making an adjustment, then for the good of all concerned, Orv should be discharged. The childish behavior of one person can do a great deal toward undermining the morale of an entire organization.

COOL HEELS PREVAIL

By Raymond Kremhelmer, Division of Industrial Engineering, Chrysler Corp., Detroit, Mich.

The position in which Mike now finds himself, is such that he is merely trying to remedy a situation that was allowed to "fix" itself before Mike took over. Mike's superiors promoted this condition by turning their heads when Orvie started to assume responsibilities that he had previously displayed he was incapable of handling. During the first week, when Orvie started running things the plant management, in the absence of a direct line supervisor, should have appointed some member (of management) to delegate the work distribution.

To "call Orvie down" by jeopardizing his employment would be useless on Mike's part—inasmuch as Orvie would feel that due to his tenure of service that management would condone his actions and be reluctant to actually discharge him.

Since Mike has exhausted all of his resources in trying to reform Orvie, he should compile a list of assignments and time consumed along with his periodic employee reports or gradings. When this material is in order, Orvie should be called into Mike's office and a review made of the list since Mike took over the job. At the culmination of this discussion, Orvie should be advised that he is being suspended. (To give one more chance is useless at this time because Orvie has apparently exhausted all of his promises to do better.)

Immediately following the suspension, Mike should be careful to record Orvie's reaction and advise him that when he has given thought to his predicament he may call Mike (definite date).

Mike should then advise his superior of his plan of action. That is, to (a) let Orvie cool his heels and do some thinking of the situation and (b) upon Orvie's call, set up an appointment with Mike and his superior for an appeal of his suspension, with Mike's superior in possession of the facts as presented by Mike.

A thorough review of Orvie's conduct should be made and the superior advise Orvie that his tenure of employment has been used as a buffer for the last time. If, after the meeting, Orvie's reactions and promises warrant further consideration. Orvie should be advised that he will be notified (through Mike) of the company's decision. The meeting should be made a matter of record for future reference and to stimulate Orvie's intentions. If a decision to drop the suspension has been made, Orvie may be recalled to work but, with a loss of wages during the suspension period for a further stimulant.

ON LIBERTY:

False notions of liberty are strangely common. People talk of it as if it meant the liberty of doing whatever one likes—whereas the only liberty that a man, worthy of the name of man, ought to ask for is to have all restrictions, inward and outward, removed that prevent his doing what he ought.



F. W. Robertson.

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